The AWAKENING of CHINA

By

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"The Chinese question is the world question of the twentieth century."—B. Putman Weale.

"Our temptation is still to look on the European stage as of first importance. It is no longer so. Undoubtedly the scene has shifted from Europe to the Far East and to the Pacific. . . . The problems of the Pacific are, to my mind, the world problems of the next 50 years or more. . . . There, I believe, the next great chapter in human history will be written."—General Jan Christian Smuts, former Premier Union of South Africa, in address to British Imperial Conference, London, June 21, 1921.

"The fact that the Pacific era of world history has actually dawned scarcely requires demonstration. The accumulation by the Powers of great economic interests in territories adjacent to the Pacific has gradually concentrated international attention in the Far East. Whatever doubt there may have been, in 1914, in regard to the significance of Pacific problems has been finally dispelled by the events of the World-War."—Stanley High, author of "China's Place in the Sun" (1922).

"The United States is a world power, destined increasingly to participate in world commerce and world politics. The fate of peoples, the disposition of territories, and the determination of commercial policies in the Far East are bound to be of enormous consequence in world affairs.

"What occurs in the Pacific will have its effects upon the activities and policies of the major nations everywhere. . . . The international problems of the Far East are world problems."—Stanley K. Hornbeck, in "Contemporary Politics in the Far East."

Underwood & Underwood

River front at Canton, the revolutionary center of China. Nearly half a million of its inhabitants live in these sampans, moored along the edge of the stream. They are a unique feature of all Chinese cities located on large rivers.

The sampan resembles nothing so much, especially from a distance, as an elongated barrel cut in two, lengthways, with one of the sections mounted on a shallow hull. Whole families are born, and live and die on these boats, only occasionally staying overnight on shore for a visit to relatives.

PREFACE.

The fast-growing labor and nationalist movements of China, reacting upon the extremely complicated situation which results from that country's position as a battleground for the conflicting imperialisms of the great powers, play a tremendously important part in the development of the Far East. The workers of other nations must understand the issues involved in the struggle for control and the aims and tactics of these movements in order to establish an International United Front of Labor with their Oriental comrades.

Indispensable to Japan and Great Britain, and in a lesser degree to the other capitalist powers, China has become the center for their commercial, political, and financial rivalries in Eastern Asia. The stakes for which these nations are playing are so enormous as to stagger the imagination. The continual clash of competing national interests produce conflicts which may break out into open armed struggles at almost any time, nearly certain to precipitate another world war. The merciless exploitation, moreover, of constantly increasing masses of Chinese workers and peasants under the new conditions brot about by the spread of the capitalist system is bound sooner or later to react most disastrously upon the labor conditions and wages of the workers of America and other nations.

The great general strike, resulting from the Shanghai massacres of last summer, and the serious clashes which followed in various parts of the country, together with the enormous proportions which the anti-imperialist movement has assumed, make an analysis of the fundamental factors involved in the Chinese

situation most timely. The development of the modern factory system in China and the conditions which it has created for the workers logically takes up a considerable portion of this book, for the rise of the labor and nationalist movements in that country has been coincident with the progress of its industrialization.

This volume is the product of many months of the most detailed study of the subject. All reference works and articles dealing with the matter available in this country have been gone over and representative Chinese consulted in regard to the situation. The statistics given are either from official Chinese publications or from the reports of responsible and authoritative private investigators. The greatest care has been taken to make this a reliable reference book for the use of workers everywhere in rallying support for their oppressed comrades in the Far East.

China is a striking and concrete example of the effects of the capitalist system in its imperialist phase and illustrates most forcefully the necessity for linking up the working-class struggle with the struggle of the exploited subject nations and colonies against foreign control. It is the author's hope that this book may help to create that understanding which will bring together the labor movements of the countries involved and thus contribute towards building up that international solidarity of the working class which alone can protect its vital interests and establish the foundation for the new social order.

In conclusion, I desire to thank my comrades of the Unionist Guild of San Francisco and friends in the Kuo Min Tang for the generous aid which has made this publication possible.

THE AUTHOR.

April, 1926.

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2. Urga is the capital of the independent republic of Mongolia. Mongolia seceded from China and has its own government, friendly to the Soviet Union. The country is largely desert land and nearly impassable. There are no railway lines and the roads are incredibly bad.
3. Troops are easily and quickly rushed from Japan whenever her position is threatened in Manchuria. Regiments were thus hurried to relieve Chang Tso Lin last winter when he was so hard-pressed by the revolt of Kuo Sung-lin.
4. The Yangtze valley contains an immense population. It has enormously great natural resources and a vast commerce. It has been an acknowledged sphere of British influence.
5. The nationalist independence movement is centered at Canton, the capital of the South China republic established by Sun Yat Sen, pending the securing of China's national independence and the formation of a strong, democratic central government.

"Tho at first sight political, and fought by diplomacy, the struggle for foreign control of China was not less one of international financial interests, contending for the exploitation of new opportunities for investment. Foreign capital was attracted by the great profits to be gained from the impending industrial revolution of China. In order to eliminate financial competition of other nations or to counteract political moves on the part of other governments if such were destined to be harmful to its own expansion, foreign finance often solicited, and freely received, diplomatic protection. With a protection and promotion of foreign enterprize several governments combined the furtherance of a national ambition of a more or less political character. All banks and syndicates in charge of the railways and loans bceame more and more generally recognized as indispensable means to the political and commercial ends of their respective governments. The struggle for foreign control in China has accordingly been marked by a most singular and distinguishing feature, namely, the closest possible cooperation between foreign finance and foreign policy. The period was one of 'conquest by railroad and bank'.

"The tenacious determination on the part of several powers to control their respective spheres to the greatest possible exclusion of their competitors tended to prejudice not only China's integrity but also the full and free enjoyment of the treaty rights of others. Tho protesting vehemently and professing adherence to the 'open door' doctrine, nations nevertheless viewed with jealousy the preserves seized by others. They were driven to bitter diplomatic strife over each new prospective 'sphere'. In short, the tremendous pressure of modern imperialism coupled with modern capitalistic enterprise was, in China as elsewhere on earth, a constant menace to peace. . . ."—T. W. Overlach, in his "Foreign Financial Control in China."

THE AWAKENING OF CHINA

CHAPTER ONE.

A BATTLEGROUND OF WORLD IMPERIALISM.

China, the long-sleeping giant of the Far East, is fast awakening. The impact of the highly developed capitalism of today upon the historically isolated culture and the self-sufficing social economy of that ancient land promises to bring about changes more far-reaching than those which have accompanied the industrial transformation of its sister nation, Japan.

The enormous significance which this awakening has for the future of the world and its intimate connection with the international struggle of the working class will become evident from our examination of the situation in the Orient and its relationship to the imperialistic policies of Great Britain, France, Japan, and the United States. As our analysis proceeds we shall realize more fully the correctness of the stand taken by Vladimir I. Lenin, the greatest theoretical and practical leader of the revolutionary labor movement since Karl Marx, when he declared that the problem of linking up the struggles of the exploited colonial peoples and subject nations for their national independence with the world-wide proletarian revolution against capitalism was one of the most important facing the workers.

The leading capitalist statesmen realize the danger to the social system they represent from an

alliance of the workers and peasants of China with those of the Soviet Union. Just as the United States could not long endure half-slave and half-free, so the world cannot continue to be indefinitely the battleground of two social orders engaged in a deadly conflict for supremacy. During the present period the Far East, and China especially, is bound to remain one of the chief centers of this struggle. Tho solutions of particular crises may be reached, the underlying factors which make of this eastern republic a vital sphere of capitalist exploitation will remain. The rival ambitions of the United States, Japan, Great Britain, and France are fundamentally irreconcilable, whatever combinations they may form under certain conditions to accomplish a common object or however united they may be in opposition to the Soviet Republic. It is essential, therefore, that the workers of all nations—and particularly those of the United States, for this country has become the bulwark of reaction and oppression thruout the world—shall have a clear conception of the issues at stake in the Orient and shall understand how it effects their own struggle for emancipation.

Historically Isolated.

It is only very recently that the efforts of the Chinese to free themselves from foreign domination have become of importance to the proletariat of the rest of the world. For countless centuries China was isolated from Europe and America, with the result that her very ancient civilization has had little influence on other countries. It is worth noting, however, that merchants and traders were accorded the lowest place in the Chinese social scale, the skilled worker and the farmer ranking above. The

highest esteem was accorded the scholar. The professional soldier had no standing at all, a decided contrast to the social distinctions of the "Christian" nations of the West.

Formidable barriers of impassable mountains, trackless deserts, frozen Arctic wastes, and the vast expanse of the Pacific made possible the early evolution of a culture quite distinct in type from that which was the result of the civilizations which successively developed in the Near East, along the shores of the Mediterranean, and later in England and Central Europe, and which have given us our social heritage. Contacts with the West, made possible by the progress of mechanical invention and the discoveries and incentive for expanding commerce, came about in the early part of the last century. Even then this huge nation did not become of much importance to Europe until within the last fifty years.

A Decisive Factor to The Workers.

The great size and enormous population of China would make its adherence to the cause of the world proletarian revolution a decisive factor. Its boundaries even at present after the loss of a considerable part of its ancient domain, takes in an area greater than that of the United States including the latter's insular possessions and Alaska. Its population of over 400,000,000 nearly equals that of all Europe and is twice that of North and South America combined, being approximately one-fourth the entire human race.

Coal Enough for the World.

To the capitalist class, however, the chief attraction of China is her great natural resources,

the large scale exploitation of which is just beginning. Of these, the most important are coal and iron.

Vast deposits of coal underlie practically all the provinces, the known fields in 1924 covering 133,500 acres. Part of the province of Shansi resembles western Pennsylvania in having easily worked anthracite mines located near iron ores, with cheap water transportation to the ocean. This province, according to the Commercial Handbook of China, published in 1919 by the United States government, is "capable of supplying the world's demands for centuries." The Handbook declares that "Practically the whole of Manchuria is one vast coal bed." "It is estimated," the report continues, "that the Pinghsiang coal mines, producing a million tons yearly, could continue production for several hundred years."

The American Bankers' Association caused a survey to be made of China a few years ago. This pamphlet, published under the title, "'China, an Economic Survey, 1923," estimated the coal resources at a much lower figure. While V. K. Ting, director of the Chinese Geological Survey, believes the country has coal enough to supply the world's needs for a thousand years at the rate of a billion tons annually, the Association places the reserves at "probably 40,000,000,000 to 50,000,000,000 tons," equal to one-eighth those of the United States and one-third those of Great Britain. One-fourth of the coal is anthracite, an unusually high proportion.

Altho it is generally agreed that China ranks third in the world in coal resources, mining until recently has been carried on in the most primitive fashion. Even yet it is so little developed that while

the few modernly equipped mines already produce a third of the total, there was an output of but 25,000,000 tons of coal in 1920, as against 80,000,000 in England and 650,000,000 in the United States. In the eight years from 1915 to 1923 China exported only 13,800,000 tons and on the other hand imported nearly as much, 11,300,000 tons. The richest of the deposits cannot be worked on a large scale until better transportation is afforded. Foreigners, principally Japanese, own most of the large mines.

Enormous Iron Deposits.

The Chinese Geological Survey estimates the known reserves of iron ores at 677 million tons. One-half is in Manchuria and one-fourth in the Yangtze valley. The American bankers' survey states that "This is probably one-half of China's total reserve, estimated conservatively at one billion tons, one-half of which is workable by modern methods." The resources equal four-fifths those of England and a fourth those of the United States, and are considered the richest in Eastern Asia. Most of the steel used in the country, however, is imported owing to the backward stage of the industry. Japanese control 80 per cent of the domestic production. In 1923 there were eight steel works operating or under construction, with an output altogether of about a million tons yearly. The Japanese have contracts for the export to Japan from Chinese mines of a million tons of iron ore annually.

The comparatively backward stage of industrial development is mirrored in the statistics of iron production. The United States in 1920 had an output of 70,000,000 tons and about 36,000,000 tons of pig iron. China, with its huge resources, produced

in the same year but 1,500,000 tons of which two-thirds was smelted within the country. As in the case of coal, the lack of transportation facilities has greatly retarded the development of the industry.

Oil and Other Minerals.

Valuable oil deposits underlie some of the provinces. The Standard Oil Company and others have done considerable prospecting. Antinomy, tin, platinum, nickel, zinc, copper, gold and sulphur are the more important of the other minerals found in the country. In Yunnan province rubies and other precious gems are found.

Electrical Development.

Electricity is destined to be the motive power of the future. China has an abundance of waterfalls which will become of great importance for its generation. The erection of huge dams with the consequent scientific control of the flood waters of her great rivers will incidentally be of vast benefit to her farmers and city dwellers by preventing the disastrous floods which have recurred at such frequent intervals thruout her history.

Agricultural Wealth.

Such a large population as that of China could not have been maintained except in a country of fertile soil. In many sections two crops are raised annually while in the south three are usual. In China proper there is little pasture land tho Mongolia and Manchuria have vast tracts for grazing. Wheat, barley, millet, corn, and buckwheat are the principal crops of the North. The provinces of central and southern China produce cotton, rice, tea, bamboo, and sugar-cane. The mulberry tree, on

the leaves of which the silkworm lives, grows in the central part of the country.

Considerable land is irrigated, the irrigation works of certain districts being very ancient. Canals, in combination with the thousands of miles of navigable rivers in the southern half of the nation, furnish an excellent and cheap means of transportation which has been utilized for many centuries. There are some 7,000 miles of railway with a number of projects under construction.

The Greatest Market in the World.

The capitalists of the world are attracted to China not only because of its enormous natural resources which promise an easily accessible and cheap storehouse of essential raw materials for manufacturing but also because it furnishes a vast market for finished goods of all descriptions. Its trade with other nations reached in 1924 a total of approximately $1,500,000,000 or three-fourths that of France before the World-War. Its trade with the United States the same year amounted to a quarter billion dollars.

The commercial possibilities of the Far East stagger the imagination. Thus the entire foreign commerce of China in the past year represented a per capita volume of only one-fiftieth that of the United States. In 1921 its per capita was under $5 while Japan's had risen to $25. Its total is still less than Canada's, tho the latter's population is under 10,000,000 while China's exceeds 400,000,000. Professors Whitbeck and Finch, of the University of Wisconsin, in their Economic Geography (1924) declare that "if China bought from the United States as much per capita as Cuba did in 1920, its

value would be nearly ten times as much as we sell to the whole world." We shall quote on this point from a statement by T. Fred Aspden, vice-president of the International Banking Corporation, because it is vital that the workers realize how tremendous is the lure of the Chinese market to our capitalists. "Among the 400,000,000 inhabitants of China," he states, "even the slightest modification in the prevailing mode of life is capable of creating an enormous market for specific classes of imported goods, and, with the entire social structure in a state of flux and progress, trade possibilities may be characterized as limitless." Every exporting nation has thus a huge stake in the exploitation of the Chinese market.

A Profitable Field of Investment.

Besides furnishing a vast market for their products and a reservoir of raw materials for their manufacturers and industrialists, China has of recent years become a field for the profitable investment of surplus capital by the great banking interests of Japan, Europe, and America. This has taken the form of loans to the Chinese government and the establishment of large industrial plants, mines, and railroads under foreign control and management.

It has been easy to wrest from a weak and often corrupt central government concessions of mining and railway privileges involving semi-political control of whole provinces, ninety-nine year leases of the most important harbors to other nations for their use as naval stations in the Far East, and to contract with the authorities loans of millions for which the Maritime Customs and other national revenues and valuable natural resources

have been pledged as security. To obtain these grants agents of the various foreign groups have resorted to every crime on the calendar, ranging from the wholesale bribery of national and provincial officials to the subsidy of generals and politicians for carrying on civil wars. Japan, for instance, in the long-continued struggle between the conservative North and the liberal-radical South, which has split the country in two a large part of the time since the Republic was established in 1912, furnished both groups with munitions of war. In the war between Wu Pei Fu and Chang Tso Lin several years ago, England and the United States backed the former and Japan the latter.

The Shameless Pillage of China.

Colonel Alexander Powell, author, soldier, and world traveler, in his book "Asia at the Cross-Roads," thus characterizes this period:

"We have witnessed one of the most brazen examples of international brigandage in the history of the world. In less than fourscore years we have seen China, a country as large as Europe, with a civilization reaching back into the mists of antiquity, rifled of territory and resources by a handful of predatory nations with as little compunction as a gang of lawless boys would raid a farmer's orchard.

"We have seen this vast, rich, peaceable, defenseless country bullied, intimidated, reduced to a state of virtual vassalage, and parcelled out into spheres of influence, leases obtained under duress, and concessions enforced by methods which, in their effrontery and callousness, are reminiscent of the free-booters of the Spanish Main.

"The story of the pillage of China is saturated

with intrigues and corruption, deceit and trickery, selfishness and greed. It forms one of the most shameful and depressing chapters in the history of our times and makes a mockery of Europe's continuous championship of justice and fair dealing."

Chinese Killed by the British on the Threshold of His Home.

"Asia owes to Europe little or nothing. At most the white men are teaching her improved methods of slaughter and providing her with more perfect appliances for creating and distributing increased wealth for the few. As against these very doubtful services, the record of the white man's atrocities is ugly indeed.

"Trade has been opened up with unwilling peoples; in almost every instance, by bloodshed or threats of bloodshed. Thenceforward, it was spread by all the horrors of war and the permanent evils of unjust annexation. The traffic itself was by no means advantageous to the country upon which it was thrust. Where the poisoning of millions of industrious and simple Chinese folk was profitable to the foreign merchants and traders, there poison was forced upon these peaceful people at the cannon's mouth. In cases where emigration for the coolie means certain death within a short period for the unfortunates who were kidnapped and shipped off, all the remonstrances of the government of China, whose subjects were thus outraged, failed to obtain redress."

H. M. Hyndman, in his "The Awakening of Asia."

From Lansbury's Weekly, London

Japan's Powerful Position in China

CHAPTER TWO.

THE PARTITION OF CHINA.

With a vast field for the exploitation of new markets for manufactured goods, most promising avenues for investment in commercial enterprises and the development of large-scale industry, an apparently inexhaustible supply of the cheapest and most docile labor, together with ready access to enormous resources of basic raw materials, it is no wonder that the Great Powers have engaged in a mad scramble for economic, territorial, and political concessions in China. These aggressions precipitated most dangerous international situations and led directly in one case to war—the Russo-Japanese conflict of 1904-1905. Back of the trader and the banker have always stood the military forces of their respective nations. An excellent characterization of this epoch is made by T. W. Overlach, a recognized authority on the subject, in his book "Foreign Financial Control in China." (The passage referred to will be found near the end of this chapter).

In order to understand these conflicts between the Great Powers, the results of which still effect their Far Eastern policies, it is necessary to review briefly the part played by each in the despoilation of China and to ascertain the vested interests which have thus accrued to them in that vast country. In this way we shall comprehend the "hidden springs of action" which dictate the attitude of the governments of the various Powers as representatives of

their respective ruling groups. We must remember that outside of the Soviet Union the working class has little or no influence in determining international policies, their power in the so-called "democracies" of the United States, England, and France being a mere delusion,—as witness the swiftness with which all these nations were swept into the shambles of the World-War.

Hongkong, a Center for the British.

The defeat of China by England in the First Opium War (1839-1841) opened the country to foreign trade. Hongkong was ceded to Great Britain by the treaty closing the war. The British proceeded to establish this port as the center for their commercial penetration of the Orient.

The British Empire already reached around the world. Additional territory was not then needed. The reserves of coal and iron in the British Isles seemed amply abundant and to open up new sources of supply would only mean competition with the home industries just then developing. What the English wanted primarily was a market for their growing manufactures and for the opium from India.

Hongkong was well chosen. It controls today the trade of South China and approximately one-third that of the whole country. Its harbor is one of the busiest in the world. Ships of every nation anchor at the docks. It has become the key position to Great Britain's political and economic structure in the Far East. In order to provide for the military defense of the city, England acquired land on the Kowloon Peninsula opposite in 1860 in the treaty ending the Second Opium War (1857-1860). In 1898 a lease was secured from China for 376

more square miles, thus ensuring England's control of the terminus of the important railroad from Canton.

The British have tried in every conceivable way to block Chinese plans for developing Canton as a great modern port because its increased competition with Hongkong would greatly lessen the latter's importance. The Pearl river on which Canton is situated is navigable by ocean steamships for miles above the city but the location of Hongkong at its mouth gives that port a tremendous advantage in foreign commerce. Sun Yat Sen's ambitious project for making the southern capital a center for ocean-borne trade was largely responsible for the bitter and unscrupulous opposition he met with in his last years from Great Britain. Incidentally, these conditions show what a menace to China's own development the treaty ports have become.

England's Sphere, the Yangtse Valley.

When the other Great Powers at the end of the last century were parcelling China among themselves into "spheres of influence," England secured the recognition of her priority rights for the exploitation of the Yangtse Kiang valley. This district includes the rich central provinces in which her financiers have heavily invested in iron and coal mines. The very powerful British & Chinese Corporation, Ltd.,—formed jointly by the Hongkong-Shanghai Banking Corporation, the great English bank of the Orient, and Jardine, Matheson & Co., the leading British commercial firm in the Far East, —represents the interests of Great Britain in that part of the world. Overlach, to whom we have referred, states that with the exception of one other firm this corporation has been able to command

a monopoly of British government support. In central and southern Shansi and Honan the Peking Syndicate, an Anglo-Italian financial group which was the "exception" mentioned above, had exclusive rights in explorations for coal and iron and was the purchasing agent for all supplies necessary in the construction of industrial plants, railroads, etc.

Still Dominant Commercially.

While British commerce with the Orient suffered greatly during the World-War and the trade of Japan and the United States largely increased, England is still the largest factor in Chinese world-commerce thru her control of Hongkong. Her dominant position is symbolized in the fact that an Englishman is inspector-general of the Chinese customs, in accordance with treaties requiring such an appointment so long as Great Britain has the major portion of the international commerce of China.

Of late years British capitalists have invested large sums in the erection of cotton factories, silk mills, etc. Indicative of the spread of their interests is the rise in the number of English firms in China from 236 in 1880 to 590 in 1913. Five of the largest cotton mills in Shanghai are British-owned.

Japan's Stake in China.

Unlike her competitors, the United States and Great Britain, Japan has comparatively small reserves of coal and practically none of iron. Yet adequate supplies of both are vital for a great manufacturing nation today. Consequently the rich deposits of her neighbor across the Yellow Sea have been a magnet for early drawing the Japanese into the struggle to control China's development.

Her overwhelming defeat of the Chinese in

1894-1895 established Japan as a formidable rival to the European Powers in the Far East. A modern army and navy requires, however, an absolutely assured and ample supply of iron ores and the coal necessary for its smelting, while industry requires a huge development of steel manufacture. The weakness of Japan in these basic raw materials is the key in large part to her international policy during the last three decades.

Robbing China Wholesale.

Altho deprived in large part of the fruits of her victory as a result of the intervention of Russia and France, she succeeded, nevertheless, in establishing control of Formosa, a large and important island lying off the coast of Central China. Her victory over Russia in 1904-1905 transferred to her possession of most of the territory and other concessions which that Empire had managed to acquire in northern China during the preceding decade. This made her virtually master of Manchuria. About the same time she secured domination over Korea, tho its formal annexation did not take place until 1910.

During the World-War, while her ally England was engaged in a life-and-death struggle with Germany on the fields of northern France, Japan presented the infamous "21 demands" upon China. These were framed so as to subject that country completely to her. Tho the proposed agreement was followed by an ultimatum to which the weak Chinese government submitted, its terms have never been carried out, due to the tremendous wave of indignation which swept China, resulting in a nationwide boycott of the Japanese, and because of the opposition of the other Powers. Numerous loans

to China during the last decade have further strengthened Japan's grip on the country.

Shantung Trickery.

Japan had acquired during the World-War the province of Shantung thru her conquest of the German forces at Kiachow. This rich district England and France secretly agreed should be retained by the Japanese as the reward for their services, despite the fact that it had been originally extorted from China by Germany at the point of the gun. China, moreover, had been induced to enter the World-War on the side of the allies largely thru the representations of the American minister at Peking that her wrongs including the theft of Shantung would be redressed at the peace conference. According to Bertrand Russell, the English writer, this promise was never meant to be carried out. "The real and sole object of the allies in getting China into the World-War," he states, "was to destroy all German trade and power in China." Japan was allowed to retain the province at the Versailles conference, threatening to bolt unless granted this demand. In 1922, under strong diplomatic pressure at the Washington conference and because of changed conditions both at home and in China, she agreed to return the territory on condition that the Chinese accept a Japanese loan for the value of the railroad and other properties. Thus in case of a default in the payments Japan can step in and take possession again, tho the only title she succeeded to had been one gained by violence. China now has control of Shantung.

With her powerful fleet operating from close at home, her well fortified mainland, and ownership of Formosa, Korea, and Port Arthur, Japan is able

to dominate thru her army the whole Chinese coast line down to Hongkong. Safe and ready access to the vast coal and iron resources of China is thus assured. In addition, China furnishes her with an indispensable market for manufactured articles and in return supplies her with cotton and foodstuffs, besides iron and coking coal.

The French in China.

France, as we have seen, joined England in waging the Second Opium War on China. Her troops participated in the sack of the imperial palace and the frightful barbarities which marked this conflict.

After her defeat by Germany in 1870 her politicians cast about for a sphere of colonial expansion and fixed upon southeastern Asia as their goal. An excuse was soon discovered for the seizure of the eastern part of Indo-China, then nominally subject to the Chinese emperor. At the end of the century France compelled China to lease Kwangchau Bay to her. Located on the extreme southern coast, this was to become a great French naval center in the Far East.

The Seizure in Tientsin.

France is responsible for one of the most brazen seizures of Chinese territory which have ever occured. On October 19, 1916, while she was at death-grips with Germany in Europe, standing before the world as the protector of oppressed nationalities and the defender of civilization, the French representative at Peking without a word of warning or recourse to diplomatic negotiations landed French marines in the heart of Tientsin. After arresting the Chinese soldiers on guard there, the French formally annexed 333 acres of the most

valuable land, altho they already had a territorial concession. For year France had vainly tried to induce China to cede her this particular area.

Tientsin is the greatest seaport in northern China and a city of tremendous trade significance as it is only two hours by rail from Peking, the capital. It has a population of a million.

Policy of Czarist Versus Soviet Russia.

While England's object in China was principally commercial, Russia's was distinctly territorial. Checkmated by the British in her efforts to get control of Constantinople and thus access to the Mediterranean, with her northern ports ice-locked a large part of the year, Russia sought a way to the Pacific thru Siberia, which by 1860 had come into her possession. By diplomatic and military pressure she got the Chinese government to grant her the right of laying an extension of the Trans-Siberian Railway thru .Manchuria to Port Arthur (then Dalny) to which she had secured a long term lease. Her sphere of influence thus became Manchuria. As we have noted, these interests fell to Japan in 1904 when Russia was defeated.

This policy of imperialistic expansion consistently pursued by the Czar's government was set aside by the Bolsheviks when they seized control of Russia in 1917. Instead, the special privileges which the old order had extorted from China were surrendered and an ambassador appointed to represent the Soviet Union at Peking. Only the Soviet Union has thus recognized the equality of China with the Great Powers. After prolonged negotiations a treaty was finally signed which has become a thorn in the side of the capitalist Powers for it

established a precedent in treating China as an equal.

How Germany Capitalized a Murder.

In 1898 Germany had forced China to lease Kiachow to her as a punishment for the murder of two German missionaries by a Chinese mob. With the lease went the political control of Shantung province and the right to its economic exploitation. Her object was the establishment of a great naval base in the Far East. When Japan declared war on Germany and captured the city she claimed succession to all German rights but as we have seen was forced to disgorge her plunder a few years ago.

The Portuguese Hell-Hole.

Italy has several concessions in China and has had considerable influence in the past as one of the principal European Powers. Belgium has participated in several loans and some railroad grants.

Unimportant otherwise, tho one of the first nations to trade with the Chinese, is Portugal. This country owns a port, Macao, in south China, which is described by E. Alexander Powell, in his book "Asia at the Cross-Roads" as "the most notorious sink of iniquity in the China Seas, vice in every form flaunting itself naked and unashamed." Its principal industries are the opium trade, gambling, and all forms of prostitution. This reminds one of an English writer's description of Hongkong during the first half of the last century under British control: "Hongkong was organized openly as an enemy stronghold where English and Chinese smugglers and pirates and desperadoes of every description found protection under the British flag." (H. M. Hyndman, in his "The Awakening of Asia").

The United States and the "Open Door."

There remains to consider the United States and its attitude in the Far East. Until recently this country held a high place in the esteem of the Chinese. For this feeling the "open door" policy laid down by secretary of state John Hay, in 1898, was mainly responsible. Lately, however, the Chinese have come to realize that this principle had its basis, not in any peculiar affection which individual American statesmen had for them nor in an altruistic standpoint exceptional to this country, but solely and exclusively in the practical needs of the American ruling class.

The Spanish-American war (1898) marked the entrance of the United States upon the stage of world-history as an active competitor of the European Powers for commercial privilege in the Orient. With its vast continental expanse, its tremendous natural resources of which the systematic exploitation on a large scale had just begun, this country felt no pressing need of further territory. Its supplies of coal, iron, and oil seemed amply sufficient. China was thus looked upon as a good market for American manufactured products. It is conceived of by our business leaders in the same light today, but while our trade with the Orient was then just beginning to reach an impressive total it is now one of our most important customers. Many prophecies have been made by American trade experts that the center of world commerce during this century is destined to become the Pacific.

"Dollar" Diplomacy.

That Hay's note was dictated by considerations based on American economic interest plainly appears from the statement of W. W. Rockhill, a for-

mer United States minister to China. After referring to the grabbing of Chinese territory and the extortion of "spheres of influence" by the European Powers and Japan which marked the end of the last century, he explains the reason for the open door policy: "It became apparent to the United States that if it did not take proper measures to check the movement its trade would be wiped out, its religious and educational interests restricted, and its influence and prestige reduced to naught." It should not be lost sight of also that this principle, according to Overlach, "recognized vested rights and special interests within spheres of influence, as long as a certain amount of opportunity for others is preserved."

At that time the conflicting rivalries of the Great Powers were plainly leading to war in the Orient. It was a case of too many thieves wanting to divide the plunder. None of the nations involved was then in a position to precipitate war. Accordingly when Great Britain, whose economic interests in the Far East were also chiefly commercial and who was desirous of checking the ambitions of Russia and France, at once endorsed the note it was not long before the others more or less grudgingly had followed suit. The policy laid down by the United States was distinctly opposed to the interests of Russia which under the Czar was seeking to establish its political control over the northern provinces of China, with the object of reserving them for the exclusive exploitation of Russian capitalists in combination with the French, their allies. Japan at that time favored the American proposal, seeing in it a way of blocking any further penetration of China by her chief European rivals.

An Equal Chance for Plunder.

The ostensible result of the acceptance of the open door policy was to place the merchants and industrialists of all countries upon an equal footing so far as plundering the Chinese was concerned. Of course, none of the diplomats were so plain-spoken as to use such a vulgar term to describe their objects, the function of diplomacy in a capitalist system being to conceal by artful phrase the real business. T. W. Overlach is not so squeamish. In his book, published in 1919, he thus characterizes this whole period of foreign aggression:

"As a foothold (by foreigners) in treaty ports was gained the process began of seizing territory. The Powers were always demanding more privileges of intercourse until of late years they started this determined and concerted campaign (1895) for spheres of interest and railway concessions.

"Foreigners were eager to build railroads, not because they thot China needed railroads but because foreigners needed the profits of railroads. This then is a point of supreme significance, namely: that the bottom idea of all treaty stipulations and agreements as to intercourse, customs, extra-territoriality, spheres of interest, railway concessions and control, was not the welfare of the people of China but the profit and ease of doing business by the people of the West. With the exception of a few missionaries and of a few scholars, writers, and artists, the interest of the world is a money interest pure and simple.

"That the motive of the foreigners was money-making or land-stealing the Chinese have fully discovered from an intercourse of over a hundred years. They have also discovered that under the

regime of extra-territoriality, of international settlements, leased territories, concessions, railway zones and control, Chinese sovereignty and Chinese rights were disregarded at innumerable times and they found that the interests of the Chinese were never consulted, altho she had to pay the bills." ("Foreign Financial Control of China").

The Boxer Rebellion.

We shall again take up the conflicting interests of the Great Powers,—largely the inheritance of the rivalries we have briefly described, in Chapter Ten, which deals with the conferences in 1925 for the customs revision and extra-territoriality. Before passing on to the next phase of our subject it is necessary to say a few words about the Boxer Rebellion which swept China in 1900.

This vast popular movement expressed thru anti-foreign riots the bitter resentment of the Chinese against the exactions of the foreigners, the continued interference with the native life and social customs, and the wholesale robbery of their territory and violation of their national sovereignty.

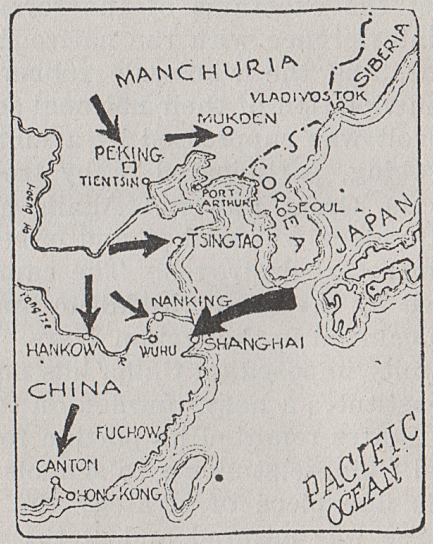
The revolt was suppressed by a military expedition to Peking, participated in by troops representing all the Great Powers. Again, as in 1860, the Imperial palace was sacked and priceless treasures of Chinese art destroyed. The campaign was characterized by the same vandalism and excesses which had occurred in the Opium Wars. The enormous indemnity imposed on China has not yet been paid and constitutes a heavy burden on that nation. The United States remitted its portion for use as a fund to send Chinese students to schools in America. By this fine piece of strategy the friendship of the Chinese was assured and at the same time

a trained corps of educated native propagandists was created for moulding China upon the American model, thus preparing a way for its economic penetration by the business men of this country.

The Revolution of 1911 and After.

The Revolution of 1911 which overthrew the Manchus and established the Republic will be considered in the sections dealing with the Kuo Min Tang and Dr. Sun Yat Sen. The civil wars which have torn the country since the emperor was dethroned are dealt with in the same chapter.

Centers of Civil War Struggles in China.



How England Waged the First Opium War.

"In 1840 began a series of attacks, bombardments, sacks of cities, and massacres of the Chinese, commencing at Chusan and spreading to other ports, which have never been surpassed for infamous ferocity by any race of savages in the world. . . .

"It was not a war, indeed, but a succession of butcheries and massacres, in which British soldiers and sailors ran little risk and covered themselves with infamy. They fought for the right to poison the Chinese people, in defiance of the prohibition of the importation (of opium) by the Chinese government; all solely in the interests of the opium smuggling profiteers."

Why England and France Fought the Second Opium War.

"Hongkong became a fortified place of protection for (opium) smugglers under the British flag. . . . Hongkong was organized openly as an enemy stronghold where English and Chinese smugglers and pirates and desperadoes of every description found protection under the British flag. . . . The local officials at Hongkong actually went so far as to grant licenses, still under the British flag, to lorchas, very smart coasting craft used for smuggling opium, armed and manned by Chinese pirates, who defied their own government, again under the British flag."—H. M. Hyndman, in his "Awakening of Asia."

Note:—The incident which precipitated the Second Opium War in 1849 was the seizure by Chinese Customs authorities of the lorcha "Arrow," engaged at the time in a smuggling expedition into China. It was manned by Chinese smugglers of opium, men of the most desperate stamp.

From the New York *Sun*

SHACKLES CHINA WOULD SHAKE OFF

The above map shows the leased territories and concessions taken from China by the various great Powers. The initials following the name of the town or territory indicate the Power that holds it, thus: B., Belgium; F., France; G. B., Great Britain; It., Italy; J., Japan; Port., Portugal; U. S., United States. Towns with a line drawn beneath are international concessions.

CHAPTER THREE.

THE PRIVILEGED POSITION OF THE FOREIGNERS.

(A) Extra-Territoriality.

The abolition of the right of extra-territoriality possessed by foreigners in China and the restoration of tariff autonomy are major issues with the Chinese and will therefore be taken up for consideration next.

In order to discover how the right of extra-territoriality originated we shall have to go back to 1839 when the First Opium War occurred, occasioned by the destruction of 20,000 chests of opium belonging to British merchants in Hongkong. Commissioner Lin at Canton, representing the Chinese government, took this summary method in order to end the contraband traffic in that drug. This war was followed twenty years later by the Second Opium War, waged by the united forces of England and France. The treaties concluding these conflicts not only forced the opium traffic upon China and legalized its public sale but in addition established the principle of extra-territoriality for their nationals in China. The "favored nation" clause in subsequent agreements with other countries transferred this right to practically all foreigners residing in China. As an understanding of the issues at stake in the Far East is impossible without some knowledge of the regime thus established we will now consider just what this principle was and what its results have been.

The privilege of extra-territoriality gives a foreign resident of China who is accused by a Chinese of having injured him the right of being tried before a court established by his own consul, and according to the laws of his own country. Technically, when a controversy arises between a foreigner and a native the foreigner has this right only if he is the defendant. Actually, this qualification has become a dead letter. Legal actions between foreigners themselves are also outside the jurisdiction of Chinese courts, but this aspect of the case will not be dealt with here, tho it is also an anomalous condition of affairs. The plaintiff in these "mixed" courts which try matters involving both the Chinese and foreigners is represented by an "assessor," a sort of special legal advisor. The foreign assessors have generally usurped the powers of the judge and the Chinese assessors are either the hirelings of the foreigners or have very little real authority.

The "Mixed" Court at Shanghai.

The most important of these courts is at Shanghai. It has the reputation of being the busiest court in the world. There is no appeal from its decisions and it has the unlimited power of punishing in each case as it sees fit.

During the Manchu dynasty, the first "mixed" court was created at this city to try cases where foreigners were plaintiffs against Chinese, the judges being appointed by the Chinese government. At the outbreak of the Revolution of 1911, the consuls at Shanghai on the initiative of the British arbitrarily took over this court, appointed certain Chinese assessors to represent that nationality, and have ever since refused to recognize the jurisdiction of the Chinese government over it despite re-

peated demands by the latter and in direct violation of China's treaty rights. These assessors receive their salaries from the municipal council of Shanghai, a body consisting, curiously enough, of six Englishmen, two Americans, and one Japanese, with not a single Chinese. Peculiarly too, one of the Americans, Stirling Fessenden, is acting chairman, (1925) giving color to the charge that the astute Britishers are using this country to pull their chestnuts out of the fire. The secretary, who is the responsible executive official of the council, is a British subject.

This municipal council was empowered by what is known as the "land regulations" to conduct all the strictly municipal business, including the policing of the city. Gradually and steadily the council has been increasing its authority in violation of treaty provisions, thru the passage of all kinds of "by-laws" and "regulations" which in reality exceed its grant of power. The Shanghai statutes are enforced by a police force, the chief and most officers of which are British, with Sikhs from India and Chinese under them. These were originally recruited from the worst elements of the native population so that the very term "police" has become in that city one of contempt, according to Lo Wen Kan, former president of the supreme court of Peking. "It is an open secret," he charges, "that they monopolize the opium trade, protect secret prostitution, and patronize illicit gambling. Some of them whose pay is less than $100 a year have become millionaires."

Their Master's Voice.

Is justice to the Chinese plaintiffs to be expected from such courts? Take this one at Shanghai, for

example. Its officials get their pay from the British-controlled municipal council. The British have enormous business interests in that city. Their high handed attitude towards China has caused them to be bitterly hated. Are the Chinese assessors under such circumstances likely to handle British plaintiffs severely or to go out of their way to aid injured Chinese? Hardly! Or are the various consular magistrates inclined to deal harshly with offenders of their own nationality? Not very likely! Moreover, there is the requirement that the complainant must appear in person, together with his witnesses. This often means a journey of hundreds of miles, as with a few exceptions, the consular courts are in the sea ports. What is true of the situation in Shanghai is generally applicable to the other 55 treaty ports.

Foreign Contempt for the Chinese.

The attitude of contempt which usually characterizes the relationship of the foreign traders to the natives intensifies the natural resentment of the Chinese against their alien exploiters. Such signs as that which formerly hung over the entrance to a Shanghai park, "dogs, unless under leash, and Chinese, prohibited" and the exclusion of Chinese from the hotels of the foreign district proclaim this feeling. Municipal band concerts in the city may be heard free of charge by all except the natives who are required to purchase admission tickets altho they have furnished the bulk of the city taxes out of which the musicians are paid. In Shameen, the foreign settlement opposite Canton, the Chinese have to leave at sundown. Instances of such discrimination could be multiplied a thousand-fold. Until the recent disturbances nothing was thot of

a foreigner beating up a Chinese coolie who had in some way incurred his anger.

Instances could be given of Chinese workers murdered by their alien exploiters. In the supplement, a few of the most flagrant are given. At this point it will be sufficient to quote the statement of John A. Brailsford, editor, The Japan Chronicle:

"I have known of a great many killings of Chinese by foreigners, apart from the numerous judicial executions and military punitive measures, but **in every case that I can remember the foreign authorities have found that the homicide was not culpable** and the Chinese authorities had no say because of extra-territoriality."

Taxation Without Representation.

The Chinese residents of the international settlements in various Chinese cities have no rights other than that of paying taxes and "keeping their mouths shut." Still in all these concessions the foreigners are overwhelmingly outnumbered by the natives. Thus in the International Settlement at Shanghai there is a Chinese population of 786,708 crowded into the 5584 acres comprising the tract. The principal foreign group in the concession is the British who rule with an iron hand, altho there are but 5431 of them in the whole place.

The Dictatorship of Foreign Capital.

While thus constituting the overwhelming majority of the inhabitants the Chinese are not allowed to vote for the members of the municipal council nor to hold such positions. The 17,000 Japanese only recently received the right of electing a single councilman after a bitter fight.

The population of the native city is estimated by the inspectorate at approximately a million. Thus nearly one-half of the Chinese in Shanghai are living under a foreign rule which allows them in their own country not a single of the most elementary political rights. In addition, there are thousands of Chinese who work in the settlements but sleep in their own sections. The day-time population of the two foreign settlements is thus estimated to reach a million and a half. In this way it is evident that about three-fourths of the entire population, or a million and a quarter Chinese are under the domination of about four thousand foreign merchants and traders, principally British, whose object in the country is the completest possible exploitation of the natives.

Even among the foreigners participation in the governing body, the municipal council, is reserved exclusively for those householders paying taxes on an assessed rental valuation of at least 500 taels (about $350) or who own land of an equivalent value. Readers familiar with American history will recall the slogan: "No taxation without representation," which we are told, inspired the war thru which this country gained its independence (tho historical research has shown that the resentment of certain American "patriots" at having their profitable trade of smuggling into the colonies interfered with really had more to do with precipitating the Revolutionary War).

A Chamber of Commerce Body.

The members of the Shanghai council receive no salary for their positions. They do not need any. They are directors or managers of the prin-

cipal business houses. If we could imagine our most rabid open shop chamber of commerce members composing the Chicago city council, with only five thousand of the wealthiest inhabitants having a right to vote, and these voters consisting only of citizens of some other country, Japan, for example, and the hundreds of thousands of native-born Americans denied every political right and treated socially as on the level of dogs,—we should be able to understand the determination of the Chinese to end a similar state of affairs in their own country.

The Iron Hand in Tientsin.

These conditions are not local to Shanghai. In Tientsin, the chief port of the North, the Powers have extorted from the Chinese government tremendously valuable concessions of land along the river-front. The British, French, Japanese, Italians, and even Belgians have thus obtained in all a frontage of nearly four miles.

There are about a million Chinese in the native city. In the British concession there are but 682 English citizens to 33,000 Chinese. Recently the franchise was given to the latter but not to all, however. Only those who were taxpayers received the vote. The British, moreover, provided arbitrarily that five of the nine members of the newly-created municipal council must be subjects of Great Britain. Thus do the English enact the dictatorship of their trading classes abroad while at home they denounce their Communists for exposing capitalist democracy as a sham and fraud!

Like Our Own South.

The conditions which prevail in the British concessions exist in those of the other countries.

The efforts of a small exploiting minority to hold in check the natural struggle of the oppressed must everywhere produce like results. The treatment of the native Chinese remind one of the way in which the Negroes are treated in our own South. In both instances the ruling race is either outnumbered or there is a strong minority of the suppressed whose potential strength is a constant source of fear to the oppressors, a situation largely accounting for the extreme measures so readily used. The editor of a British newspaper in Shanghai, during Harry F. Ward's visit there last summer, thus expressed this sentiment: "You must recognize that there are slave races in the world and the Chinese is one of them."

Extra-Territoriality Must Be Abolished.

The most insistent demand of the Chinese is for the abolition of the right of extra-territoriality. They point out that China is today the only country in the world where such an anomalous state of affairs exists. The treaty of Lausanne ended the "capitulations" which in Turkey had placed alien traders on a similarly privileged basis. Germany lost this privilege in China in consequence of her defeat in the World War. The Russians voluntarily surrendered theirs. Both nationalities, the Chinese aver, have benefited tremendously by the friendlier relations thus ensured.

Thru the operation of this privileged status the foreign settlements have become independent states within the Republic, not bound by its laws nor subject to its officials. Yet in every such colony, as we have noticed, the Chinese are in the overwhelming majority. The treaty ports, of which there are now 49, have become a haven of refuge for discre-

dited native officials, fleeing the wrath of their own people, and of hated militarists driven from power. Wealthy Chinese take up their residence in them in order to escape their share of the national taxation. These cities are also the centers from which the infamous opium trade is directed, and that of new drugs which are being illicitly supplied in its place. They are the hotbed of foreign intrigue and a dumping ground of foreign manufacturers. Lately they have become notorious for the exploitation of child and woman labor in the huge factories erected within their borders. The treaty ports have thus grown into festering sores on the Chinese body politic.

China is loath for these reasons to afford further facilities to foreign commerce by increasing the number of such ports or by granting foreign traders the privilege of carrying on their business in the interior, missionaries at present only having the latter right. On the other hand the growing pressure of international capitalism requires the breaking down of all such economic barriers, as does also the developing Chinese capitalism itself.

(B) The Customs Restrictions.

Not only were the foreigners given a privileged status in China thru the early treaties forced upon its government but they were also placed in control of the administration of its maritime customs. The importance of such control is shown in the prominent place which the struggle for tariff autonomy has taken in the nationalist movement.

According to its foreign treaties China cannot lay a duty exceeding 5 per cent on either imports or exports without the consent of the Powers. The

valuation on which this rate applies was established in 1846 and has been changed only twice—in 1902 and 1918. The percentage itself was not altered for nearly a hundred years, until the customs conference of last fall. As prices have risen considerably since the last revision the tariff does not actually bring in more than an average of 3 per cent today. It requires, however, the approval of every nation with which China has entered into commercial relationships before any change whatsoever can be made in either the rate or the basic valuations. As each country trading with China is naturally opposed to having the import duties increased on the articles which it exports to that nation and on the other hand is equally against any raise on those exports from China which supply it with raw material (and in the case of Japan, foodstuffs also), it is manifestly an impossibility to secure the required unanimity for fundamental changes in the Customs under ordinary circumstances. The vital conflict in the interests of the Powers contributes, of course, to this same result.

Moreover, provisions in the same treaties provide that native goods owned by foreigners and destined for export, or foreign goods foreign-owned and being transported into the interior of China for their final sale or destination, shall not be taxed in the course of transit more than 2½ per cent of their value. On the other hand, the same goods native-owned or bound for the same port and not overseas tho over the same route or native-owned being shipped from one point in China to another, are subject to all manner of taxation by Chinese provincial authorities. The result of these conditions, it is quite evident, is to give the foreign trader

a great advantage over his Chinese competitor and to force the Chinese governmental authorities to enforce discriminatory regulations against their own people.

In this connection a word of explanation must be given in regard to the provincial taxation on goods in transit, referred to in the preceding paragraph. This tax is termed the "likin." Its rate varies greatly in different provinces and sometimes even within a province. It is arbitrarily laid by the provincial governors or the Tuchuns, as the military governors are called, who in almost all cases dominate the civil administration. Its imposition is a fruitful source of income for the expenses of the tuchuns in maintaining the large mercenary armies which enable them to carry on private wars for their own aggrandizement.

Conflict Over Customs.

The serious conflicts involved in such an apparently technical question as the customs rates was well illustrated in the International Conference held at Peking, beginning October 26, of last year, to discuss the revision of the Customs. Japanese newspaper comment revealed strong opposition to restoring administrative control of the tariff to the Chinese or to any considerable increase in its rates. On the one hand, Japan takes a larger proportion of China's exports than does any other country. On the other hand, one-third of all her own exports go to China. Any general increase in the customs would therefore injure her trade materially.

The bulk of Japanese exports to China consist of yarns and cotton goods of a cheap grade, which her experts admit can easily be made in the Chinese

mills,—and in fact are even now being manufactured there to an increasing degree. Under tariff autonomy it would be natural for the Chinese to manipulate their customs duties in such a way as to protect the industries they desire to foster and to prevent the export of raw materials and foodstuffs needed in the country as well as to encourage the exports of such articles of which they had an oversupply. The United States pursued an identical policy for the building up of its own manufactures. Such a system would injure Japan very much more than Great Britain or America, whose exports to the Orient consist principally of machinery, high grade cotton goods, oil, etc., which the Chinese will be unable to supply themselves for some time.

Crippling the Central Government.

Every government must have sources of revenue for sustaining itself. In countries like the United States the customs receipts form a considerable part of the governmental income. The total of the Chinese customs, however, which can be applied for running expenses is very small, hardly five per cent of the total, for nearly the entire revenue is pledged as security for interest and redemption of the principal of the many foreign loans made by various financial groups to China in the past.

The Powers complain that the central government is weak and disorganized. The charge smacks of hypocrisy for precisely this state of affairs has best served their own purposes of aggrandizement. Japan's policy has always been to keep China divided. Disorder in the provinces has often been instigated by the same foreign interests who stand most to gain by intervention because of the trouble

they have provoked. Union members are familiar with the similar way in which employers in a time of strike have incited violence and then used the police to crush their workers' revolt.

What Finance Capital Wants.

The international policies of capitalism vary, however, in accordance with its changed needs. Today in general the dominant capitalist groups are the financiers, those popularly designated as international bankers. What they want is primarily a wide field of profitable investment for large accumulations of capital. The security they desire can be obtained only when national concessions and grants are enforced by strong centralized governments.

The consortium, or combination of banks representing the Great Powers, formed originally in 1913 for the purpose of monopolizing the financing of China, is still in existence. The place of Germany, which dropped out during the World-War, has been taken by the United States. The Soviet Union, of course, is not represented. The participating banks now are made up of British, Japanese, French, and American financial interests. The consortium thus represents a coordination of conflicting national interests. What it wants set up in China is a "strong" central government, which will maintain with an iron hand "law and order" thruout the country. Such an authority, moreover, must have revenues adequate to "carry on" and to enforce its decrees in the remotest districts. This income, however, is precisely what the Peking government lacks. A revision of the customs schedule was therefore inevitable, and it was this step to

which the conference in 1925 agreed, tho very much opposed to the immediate interests of certain of the Powers.

The British Bank Graft.

The British control the administrative machinery of the customs, as we have seen, thru treaty provisions requiring its head to be a subject of Great Britain. The executive staff includes also citizens of the various other foreign nations with which China has diplomatic relations.

The customs revenues are deposited as they are collected in certain of the foreign banks in China designated by the bankers' commission. This body then apportions the funds to the redemption and interest payments of those foreign loans secured by the customs and also to the Boxer indemnity. Under this arrangement the receipts of the Chinese government are placed at the disposal of the financial agents of the very same foreign groups which are engaged in a continual effort to extort from the authorities every possible concession. These large deposits also aid in preserving the credit of the banks receiving them, thus maintaining the standing of foreign institutions like the Hongkong and Shanghai Banking Corporation, the financial representative of British imperialist ambitions in the Far East, at the expense of the Chinese themselves.

The effect of these customs regulations is similar to that of the right of extra-territoriality. It is to strangle the independence of the country and to ensure the continuance of the chaotic conditions which have been prevalent. Unless the Powers reach some agreement for the voluntary surrender of the privilege of extra-territoriality and restore the con-

trol of the customs in China, the Chinese will be forced as a matter of national self-preservation to abrogate the treaties creating this condition even at the risk of war. They could logically denounce such agreements on the ground that they had been obtained by fraud and violence, a reason which in this country is sufficient to make contracts between private citizens null and void.

The proceedings of the international customs conference held in Peking last fall are discussed in Chapter Ten, which also deals with the likin and the discriminations against Chinese trade from the interior.

"China has been stripped of the fortress-harbors on her coast; provinces and dependencies have been torn from her borders from Korea and Mongolia round to Tibet and Tongking. Foreign trunk railroads have cut strategic thorofares up and down and across the heart of her dominion. Foreign bankers and debt commissioners have held in ransom her finances and have dominated her trade."—Gardner L. Harding, in his "Present-Day China" (1916).

CHANG TSO LIN

military dictator of Manchuria, is hated by the mass of Chinese for his subserviency to the Japanese in particular, tho he has also been a tool of the other imperialist Powers.

". . . China presents the greatest industrial and commercial opportunity not only of the world today, but the greatest which the world has ever seen. With a population of four hundred and fifty millions of people, according to the latest estimate of the Maritime Customs, it has a national debt amounting in round numbers to one dollar per head of its population, or less than one-twentieth proportionately of the debt of her neighbor, Japan. Were China to borrow up to the same figure as Japan, that is, over $20 per capita, she could add to her debt the unimaginable sum of $8,550,000,000 (gold), the total of which would suffice to build 170,000 miles of railway at the liberal estimate of $50,000 gold per mile.

"Some few years ago an investigation of the effect which Chinese railroad development had upon the commercial growth of China showed that between the years 1900 and 1907 an increase of 45 per cent in Chinese railway mileage had brot about an increase in the net imports and exports amounting to 156 per cent during the same period. Suppose we were to extend these figures and estimate the future business of China on the basis of an expenditure on her railways equal to $20 per capita of her population. Can you form any idea of what volume her business would then be? The result would, it must be confessed, be unintelligible to the ordinary mind if placed in plain figures. We may, however, put it in another form and say that with a per capita debt equal to Japan's, China could build 100,000 miles of railway, cover the country with permanent roadways, improve her canals so as to bring the products of her enormous population to her own markets at the lowest rates, and could still have enough left to build up a merchant marine such as would have no superior on the face of the earth."—From speech by J. Selwin Tait, Chairman of the Board of Directors of the Washington and Southern Bank, of Washington, D. C. (Reported by Hornbeck).

"Conditions in China are similar to those of no other country. The nation is virgin soil for commerce and within the next few years there are scores of import and export items which can be expanded infinitely because the Chinese people are there to produce or to consume in unlimited quantities."—High.

Among the 400,000,000 inhabitants of China even the slightest modification in the prevailing mode of life is capable of creating an enormous market for specific classes of imported goods, and, with the entire social structure in a state of flux and progress, trade possibilities may be characterized as limitless."—T. Fred Aspden, Vice-President The International Banking Corporation, in the "Transpacific" (Tokio). Quoted by High.

"The people of the United States are destined to be drawn into increasing commercial contact with China, and China, potentially powerful in human and material resources, is destined, by the development of these potentialities, for a place of world leadership. In the consequences of that development are contained issues of the utmost importance, not alone for America, but for the entire world."—High, in his "China's Place in the Sun."

CHAPTER FOUR.

THE INDUSTRIALIZATION OF CHINA.

(A) The Rise of the Factory System.

The modern factory system, first established in China in the treaty ports, has in the last quarter of a century spread up the Yangtse Kiang and the great river highways of the South, and along the railroads to the principal trade centers of the country. The tremendous decrease in the importation of European-made goods during the World-War accelerated this movement greatly. In the districts which include Shanghai and Hongkong, the primitive hand industries have been superceded by large-scale manufacturing of the western type. Millions of Chinese are today subject to an economic environment quite like that which exists in America and Europe.

What this breakup of so ancient an established social system as that of China's means can be appreciated only by a knowledge of the type of economic organization which has prevailed in that country for many hundreds of years. Charles G. Hatchelder, formerly acting chief of the Far East division of the Department of Commerce and now lecturer on international relations at the New York University Graduate School, thus describes the old order:

> "The economic organization of China was for ages well balanced. Each region produced very largely the goods which it

consumed, and there was relatively little need for the transport of large quantities of foodstuffs or manufactures. A large percentage of the population lived in villages, which were almost entirely self-supporting, and the local handicraftsmen supplied the local demand. The artisan worked for customers whom he knew and whose needs could be planned for in advance. There was no need for him to sell in distant markets, where demand and prices fluctuated according to tendencies which he could not understand. The lack of roads acted like a high tariff to protect him from competition from outside the village.

"Each family was assured of a living, tho perhaps a very modest one; and life, while arduous, was not unhappy. Machinery was unknown, and the muscles of men and animals supplied power for all operations."

The Machine Versus the Hand-Worker.

"This primitive system," he continues, is now being forced to compete with the cheaper goods of the Occident, produced by machines driven by steam and electricity, which enable one man to do the work of hundreds. At the same time railroads, highways, and steamships bring these articles to every town, with a minimum cost for transportation. Naturally the hand-worker cannot meet the prices of machine-made commodities, and is gradually forced out of business and driven back

to the already overcrowded land. The whole social organization is disrupted. In the teeming cities of China the man who loses his job is like a man who loses his footing in a panic-stricken mob fleeing from a burning theater. He is trodden under foot, to rise no more."

The Handicraftsmen Doomed.

Cotton spinning and weaving are among the oldest occupations of the Chinese. Batchelder depicts the ruthless destruction of this ancient handicraft by the factory system.

"Hand-spinning in China is fighting for its life, and hand-weaving is only kept alive by the importation of machine-made cotton yarn from India, Japan, and other countries. It is, of course, evident that hand-labor cannot compete with large-scale production, and the handicraftsmen are doomed in all except special articles."

The complicated influences of the world market which the introduction of capitalism brought to China has added to the sufferings of the masses from this sudden spread of machine production.

"Just when the hand-workers were facing this crushing competition the prices of their raw materials were enhanced by the demand for them for export. China, once the only source of silk goods, now exports large quantities of raw silk. Further, the foreign requirements for the foodstuffs of China cause them to be exported, thus increasing the cost of living,

and the export of rice has to be forbidden by law. All the odds are against the Chinese hand-worker and no relief is in sight. He is driven to desperation, the victim of economic tendencies as ruthless and as inevitable as the law of gravitation."

Readers will recall how the dispossessed workers of England tried to destroy the machines.

". . . Even in the Occident the gradual introduction of the industrial system caused much distress among the workers, leading even to riots and the destruction of machinery by the hand-workers whom it had displaced. In time, however, they were absorbed to tend the machines and a new social organization displaced the old. This process is now going on in China, intensified by the larger population, . . . and by the relatively sudden impact of the two civilizations."

Factory System Spreading Fast.

The industrialization of this Oriental republic has made particularly remarkable strides in the decade just past. Thomas Bowen Partington, Fellow of the Royal Colonial Institute and of the Imperial Institute of Great Britain, stated last year in the Fortnightly Review, one of the leading English magazines, that China then had over 1,400 modern industrial plants, besides thousands which were semi-modern, whereas ten years previous there were but 558 factories in the whole country. According to Wellington Koo, former Chinese minister to the United States, nearly all the manufacturing

in his country twenty years ago was done by hand labor in small workshops. He estimates that by 1923 there were almost 19,000 establishments using steam or electric power and labor-saving machinery.

The Cotton Spinning Industry.

The industry most highly developed along modern lines in China is that of cotton spinning and weaving. The first cotton mill in the country was erected at Shanghai in 1890. Between that date and 1903 another had been built, the two having a combined capacity of 65,000 spindles. By 1906 there were 14 mills with 400,000 spindles. In 1916 this had increased to 42 mills having a total of 1,154,000 spindles. The number of both mills and spindles practically doubled by 1923, an economic survey of China in that year made for the American Bankers Association showing 83 mills with 2,666,000 spindles, and 300,000 more in course of construction. The Chinese Cotton Millowners Association reported by the end of 1923 a total of 115 mills.

The growing importance of this industry in China is indicated by a comparison of its equipment with that of the two leading nations in cotton manufacturing,—England and the United States. The number of spindles in these three countries shows a gain for the period from 1910 to 1915 of 50 per cent by China, 10 per cent by the United States, and less than one per cent by England. In round numbers China had 812,000 in 1910 and 1,226,000 in 1915. During these five years Great Britain's total increased by 500,000 to 56,500,000. The 29,000,000 American spindles had risen by 1915 to 32,300,000. Since then the number of spindles

in China has more than doubled while that in the other two nations has remained practically the same. So rapid has been the Chinese development that the productive equipment of its plants closely approaches Japan's tho the latter had many years the earlier start. Japan is estimated to have approximately 3,600,000 spindles.

A feature of the industry in China is the small proportion of looms to spindles. The Chinese mills specialize in the production of cheap yarns. These are distributed to points in the interior of the country where they are woven into cloth on hand-looms by the peasant women during the long winter nights. This combination of the most modern industrial technique of large-scale production with the slow, laborious processes of the ancient handicrafts reveals that this industry as a whole is still in the transitional stage. Nevertheless, the number of looms is fast increasing. In 1923 there were 13,403. In 1924 it had risen to 15,000.

Increased Production of Cotton Products.

The statistics of Chinese foreign trade since 1913 show a significant growth of the part which its manufactures of cotton products play in world-commerce. Altho China ranks third in the growing of cotton the native supply was far insufficient for the demands of its own mills. This resulted in a rise of the importation of raw cotton from 17,767,333 pounds in 1913 to 237,514,733 pounds in 1922. On the other hand a curious anomaly of Chinese foreign commerce is the fact that in 1922 a total of 112,268,000 pounds of raw cotton was exported, a gain of one-third over the previous year. Most of this went to Japan, China's chief competitor in

the production of cheap cotton goods. The imports of cotton yarn decreased from 358,048,299 pounds in 1913 to 162,597,833 pounds in 1922, or 50 per cent.

At the same time the native production of yarn was fast increasing. There is no record of any export of yarn at all in 1913. In 1923 exports of yarn were 5,168,000 pounds, a gain of 50 per cent over the year before. This increase of exports plus the drop in imports shows a net decrease in the amount of foreign yarns required in China of 190,818,466 pounds. This difference was made up by the increased production of the Chinese mills, which, as we have noted, doubled in number and equipment during this period. The greatly enlarged output of yarns stimulated the growth of the woven goods industry. Wellington Koo states that the number of power looms increased four-fold from 1919 to 1922. While cotton piece goods were one-third of the imports into China in 1913, ten years later they had fallen to seventh place. Eight varieties of such goods were imported in 1913, totaling 30,178,179 piculs (one picul equivalent to 133 1-3 pounds). Imports in 1923 dropped to 17,016,884 piculs. On the other hand it was not until 1922 that exports of cotton cloth amounted to much. In that year five varieties (including woolen) were exported, totaling 104,345 piculs. This rose in 1923 to 713,605 piculs, a gain of nearly 600 per cent.

Textile Machinery Imports Increasing.

Symptomatic of the building up of the native cotton industry are the increasing imports of textile machinery. While less than 2,000 tons of such machinery was shipped from England to China in the

boom years 1919 and 1920, there were 19,319 tons exported in 1922 during the crisis when the Lancashire spinners and weavers were idle or on short time. The United States commerce reports state that over twelve million dollars worth of textile machinery was purchased from Great Britain and about one-half as much from the United States and Japan.

Foreign Capital Flowing In.

Not only is textile machinery being imported by China on a considerable scale, but foreign capital is flowing into the country in an increasing volume. Five of the largest cotton mills are under British control and thirty-two under Japanese. The industry is more than half controlled by these two nationalities. "Every year," Partington writes, "sees an increase in the number of factories being established, either to take the place of old native types of production or to manufacture some articles previously imported from abroad." The greater number of these mills, it must be remembered, are either British or Japanese. The influx of capital from Japan has been especially marked of late. An expert for the Mitsui Company, one of the great Japanese corporations, who made a detailed study of industrial conditions in China for that company in 1921 predicted the transfer of the bulk of the cotton spinning industry of his country to the mainland because of its cheaper and more tractable labor and nearness to the large cotton growing districts.

Silk and Flour Industries.

The production of silk and flour have been also modernized to a large degree. Altho it was only in 1878 that the first modern plant for reeling silk

was erected under the direction of a French expert at Shanghai, there are now, according to Partington, 218 modern filatures working night and day. The exportation of raw silk has grown until it is today the largest single item in China's export trade, amounting in 1922 to $91,048,480.

Just as the huge cotton factories, equipped with the latest machinery and specializing in the subdivision of labor, have driven out the old-style hand-spinner, so modern flour mills have dislocated the primitive social economy based on local barter of the grain raised in the wheat-growing districts of northern China. In 1924 there were 160 modern mills with a daily capacity of approximately 13,500,000 pounds of flour. A peculiar result of the opening of the country to world commerce, and particularly effecting these mills, is that numbers of them at different times have been forced to close down because of the competition of imported flour. Altho the labor costs of the Chinese product are very much less than of the foreign, poor transportation facilities made the expense of getting the grain from the wheat-growing sections of the country prohibitive. A similar situation existed after the Revolution in Russia, and gave rise to much unwarranted criticism of the Soviet Government for its exportation of wheat when parts of the nation were suffering from an acute shortage.

Growing Electrical Industry.

The accelerated speed with which an undeveloped country goes thru the process of industrialization at the present epoch is reflected in the fact that the most modern inventions and improvements come into immediate use. So in China we see a

rapidly increasing growth of electric lighting plants in the cities. Today it is estimated there are 400 electric power and lighting plants. According to Kenneth H. Dame, of the Far Eastern Division, U. S. Department of Commerce, there are few towns of any importance that do not have a lighting plant. In their wake an entire electrical industry is springing up originating with the manufacture of light bulbs. In 1918 there were 136 such enterprises.

Growing Shipbuilding Industry.

Shipbuilding is becoming an important Chinese industry. It received its start from the tremendous demand during the latter part of the World-War. The United States government even placed a contract for the construction in China of four ships of 10,000 tons each during that period. The principal ports,—Hongkong, Shanghai, Canton, Dairen,—are engaged in this industry. In 1924 there were 53 large companies, mostly foreign-controlled, in the business, according to Dame. He states that these firms have been turning out large ocean steamships not only for use at home but also in foreign countries.

Bean-Oil Factories.

Bean oil has long been used in China as a substitute for butter and animal fats, and bean cake as a food for livestock. Only in comparatively recent years has the great demand for these products abroad, especially in Japan, developed an important export trade.

The modern industry is largely under Japanese control at Dairen. In the old days of domestic use there were thousands of bean-oil mills worked by hand, or by the patient donkey, all over China. With

the development of a large volume of export trade these primitive mills have proved utterly inadequate and modern factories, equipped with up-to-date machinery, have taken their place. In 1922 there were 56 of these in Manchuria alone. The total thruout China now is probably several times that number.

Changing Character of Imports.

The changing character of Chinese imports throw an interesting light on their growing industries. For a long period after the opening of the country to foreign trade the imports were exclusively of manufactured goods for personal use. A demand then arose for raw materials already partly prepared for their ultimate purpose, such as cotton yarn, leather, steel plates, etc., to be turned into finished products in Chinese factories. Now there is an increasing importation of machinery and machine parts for installation in plants in China that compete on the world market. In 1913, for example, there was but $5,136,000 worth of such imports. In 1922 these had reached the sum of $40,512,000. Reports to the United States Department of Commerce stated that "the year 1921 showed a phenomenal increase in the values of machinery of all kinds imported into China and the year 1922 also registered increased values in practically every line of machinery necessary for the industrial development of the country."

Contrast with Steel Industry.

In decided contrast to the modernization of the cotton manufactures is the condition of the coal and iron industries, which, as we have already noted, are still in a most backward condition. With

vast supplies of both, the nation's production is insignificant in either. Yet it is the possession and exploitation of these resources which have made possible the great empires of today. The United States and Great Britain, Germany before the World-War and France after, were in this fortunate situation. Japan, with totally inadequate reserves, was early compelled at any cost to secure access to those districts on the mainland in which they were to be found.

Import and Export Anomaly.

The same anomaly prevails with regard to the iron industry as we found in the textile. China both imports and exports iron and steel in considerable amounts. From 1921 to 1924 the imports averaged 323,500 tons as compared to an average of 182,700 tons for the last four pre-war years, an increase of 77 per cent. Even tho the steel industry of China is at a comparatively low level, the following list of products given by the New International Encyclopedia (Supplement 1924) with the explanation that they "show no imports for 1922 due to the operation of Chinese steel mills supplying these demands" is instructive: 22,725 tons of cobbles and wire shorts; 5,944 tons of hoops; 8,223 tons of nail rods; and 8,228 tons of pig and Kentledge imports. So also is the fact that Chinese exports of iron are slowly but surely increasing. The 1923 exports reached 741,314 tons, double that of 1913. Pig iron was exported to the amount of 224,169 tons, having tripled in a ten year period.

The Gordian Knot.

This rapidly growing industrialization of China is a process fraught with tremendous possibilities

not only to the people of that country themselves but as well in its ultimate consequences to the world at large. Internally, it furnishes the economic basis for the rise of the nationalist movement. Externally, it intensifies the trade rivalries of the Great Powers and brings their conflicting interests into greater relief.

Can the inherent contradiction between the increasing ability and growing determination of the Chinese to control the industrial development of their country be reconciled with the imperative necessity of China as a huge reservoir of raw materials for the western Powers and Japan and as a vast market for their manufactured goods and the large-scale investment of their surplus capital? This is the insoluble problem which faces any conference of capitalist nations on China. Decisions may be reached but they can be only of a temporary nature, just as the so-called "stabilization" of Europe after the World-War could not, in the nature of the circumstances, have been permanent.

Predominantly a Peasant Nation.

While the industrialization of China is thus proceeding at a swiftly increasing rate, it must not be forgotten that the country is still predominantly a nation of peasant proprietors, cultivating on a family basis very small holdings, many so tiny that an American farmer would hardly think of utilizing them even for gardening. Yet under the skilful hand of the Chinese they are made to support an entire family.

Estimates of the peasant population run from 85 to 90 per cent of the total. Taking the country as a whole it appears that most of the farmers as

a family unit own their own land, tho surveys in certain provinces have indicated a surprisingly large proportion of tenants. Such an investigation a few years ago in northern China, covering reports from 240 villages in five provinces, disclosed in two of them, Chekiang and Kiangsu, 67 per cent of farm tenants. In Anhwei province one-half were tenants. On the other hand less than 1 per cent in Shantung and about 10 per cent in Chihli were thus listed. The owning farmers for the most part, it is needless to state, were extremely poor, from 50 to 80 per cent reporting incomes under $150 yearly. The size of the average farm is indicated by the fact that according to a government land survey in 1917 over one-half out of 58,000,000 holdings were under five acres. Of the entire number there were less than three million owners of tracts exceeding sixteen acres.

Agricultural Exports Predominate.

As might be expected the major portion of China's exports consist of agricultural products or their derivatives including among these raw silk. For some years the trade in raw silk has been increasing until in 1923 it constituted in value by far the most important item of export, most of it going to the United States. Next in importance came the bean products, following which were raw cotton and tea.

Industrialization and the Farmer.

The process of industrialization brings with it the competition of the world market and has therefore a far reaching effect upon the agricultural population. Great shifts in the character of agricultural production have taken place of recent years.

Two generations ago China was the chief source of the world's supply of tea. Today the export of this article has actually declined. It is produced at a smaller cost by better methods on the rain-drenched slopes of Assam and Ceylon on large plantations expertly conducted. In the southern provinces many farmers have had to quit growing sugar cane due to the cheapness of the imported sugar and its better grade. The acreage of rice, the basic food of most Chinese, tho it constitutes one of the main imports, and of cotton, the principal fabric of China, which is also imported in large amounts, have both been cut down in favor of tobacco, the use of which was introduced into China within the last century and is now universally smoked.

Small Industry Still Dominates.

Not only is China a peasant nation but it must also be kept in mind that it is still a country of small industry and handicrafts. The enormous development of modern manufactures has as yet effected the mass of the Chinese only in an indirect way. Even in the most important industry, that of cotton manufacturing, while the primitive spinning wheel has been superseded by the factory, the hand loom not only persists but has come to play an important part in the weaving of cloth from the machine-made yarns. As the economic survey by the American Bankers Association states: "Chinese business is still in the main a family affair. To the visitor to China it appears to be a country of small shops. . . . Domestic household economy still predominates."

International Newsreel

THE NEW VERSUS THE OLD

Modern machinery is rapidly taking the place all over China of the old hand tools which have been used for countless centuries. This transformation is even

B. Labor Conditions.

Conditions in the factory districts of China are incredibly bad. Those of Shanghai are typical and can be reproduced in any of the Treaty Ports.

This city, situated at the mouth of the Yangtse Kiang, is already one of the greatest shipping centers in the world. It has ready access to a larger population than probably any other port. With the expansion of overseas commerce and the rapid growth of industry in this part of China it has become the most important commercial and manufacturing city in the Far East.

It is a city of social extremes. On the one side there is amazing wealth with all the ostentatious display which goes with it; on the other is the most degrading and extensive poverty imaginable. It has the largest bank building in the Orient but it has also the longest saloon bar and the worst slums in the world. It is a typical product of what foreign exploitation with no restraints of any kind upon it has been able to accomplish in the subjection of an alien race.

As a result of long-continued agitation on the subject of child-labor conditions in the factories, the Municipal Council of Shanghai in 1923 appointed a committee to investigate. The chairman was a British lawyer from Hongkong and half of its members were representatives of the local mills.

This committee conducted an extensive investigation and finally presented its findings and recommendations at last April's meeting of the Council (1924). So little interest was manifested in the fate of the child workers that enough members to

constitute a quorum were lacking even tho the meeting had been especially called to act upon the report and a systematic agitation had been carried on to secure a large attendance. The local capitalists were interested, like their American brothers in our southern states, in children only as instruments for the production of profits.

Child Labor in Shanghai.

We present below a summary of this report, together with confirmation of its findings and much additional matter on the subject not only of child-labor but of labor conditions in general thruout China. This is taken from such authorities as A. Percival Finch, New York Times correspondent in China and a member of the staff of the Sunday Times of Shanghai; Henry T. Hodgkins, Secretary of the National Christian Council of China; Sherwood Eddy, International Secretary of the Young Mens Christian Association, and many others. None of these observers are radicals or even associated with the labor movement, so they cannot well be charged with a bias in favor of the workers. It is significant that not a single apologist for the capitalist system and the rule of imperialism in the Far East has dared to contradict these statements.

This portion of our general subject will be dealt with at length for it reveals conditions of labor so horrible, wages so low, and hours of work so long that their perpetuation means a rapidly growing menace to the workers of all the rest of the world, even the most badly treated in the countries of the West. It would indeed be hard to imagine labor conditions worse than those now prevalent in China.

Six Year Old Child Slaves.

The Shanghai investigating committee found that in 274 factories of that city's industrial district there were over 22,000 children at work under the age of twelve. The hours were generally 12 a day, from 6 A. M. to 6 P. M., or vice versa. The Commission found **during both day and night "very many children at work who could not have been more than six years of age."** The Child-labor Commissioner of the International Settlement of the city reports that **"children are often employed at the age of five years."** The Committee declares that "generally speaking, the child begins to work in the mill and factory as soon as it is of any economic value to the employer." Finch, from his years of observation at close hand as an experienced newspaper man, reaches a similar conclusion: "Now there are a large number of people born in the factory district who know they are intended for the mill or factory when they reach a suitable age—which is in many cases—about six years."

Mothers Work with Babies Strapped to Their Backs.

Miss Agatha Harrison, who in 1923 made an extensive study of labor conditions in Shanghai, is thus quoted by Hodgkins in his book "China in the Family of Nations" (1924): "It is not easy to generalize on the age when children begin to work. Many of them are brot into the factories as babies by their mothers. In some of the factories visited, women were working with babies strapped on their backs. (In one case a woman had her baby strapped in front in order to feed it and at the same time work with both hands and a foot). Brot up in the factory atmosphere, children learn to do odd

jobs at a very early age; and at the ages of six, seven, and eight years are to be seen on regular work." In talking over the matter of child labor with the employers she quotes one as remarking: "If we stop employing children, our mills would have to close down." Another called her attention to the fact that "Children's hands are peculiarly fitted for this work." The excuses are the same as those offered by our own child labor employers in the textile mills of our own southern states.

Grinding Children Into Profits.

The child labor commissioner reported to the British parliament last year (1925) that 14 per cent of the entire number of workers employed in Shanghai were under the age of twelve. The city has undergone so great a development in recent years that one authority estimates one-third of its population of over two millions is engaged in industries of one kind or another. One-seventh of this one-third would give approximately 90,000 boys and girls under twelve working in the factories and other establishments in this city alone. The commissioner states that the overwhelming majority, 80 per cent, of the children are little girls. Out of the 22,000 in the particular mills investigated by the commission about 17,000 were of that sex. Just as the motherhood of the working class of England was sacrificed to the merciless greed of the early factory owners, so to a larger degree and even more ruthlessly are the future mothers of China being laid on the altar of Mammon for the enrichment of the banking houses of the world and the profit of thousands of investors who know little and care less about the circumstances under which their dividends are earned.

Grist for Capitalist Mills.

The commission states that "in many mills conditions during the night shifts are, according to western ideas, most unusual. Rows of baskets containing babies and children, sleeping or awake as the case may be, lie placed between rapidly moving and noisy machinery. Young children, who are supposed to be working, but who have been overcome by fatigue, or who have taken advantage of the absence of adequate supervision, lie asleep in every corner, some in the open, others hidden in baskets under a covering of raw cotton." A suggestion that the commission saw only a part of the actual situation follows: "The commission noticed that on its advent a warning whistle was given and many of the children were awakened by their immediate neighbors and hurried back to their machines."

Of the "very young children" (most of whom are girls) working in the silk mills, the commission remarked: "In the main they present a pitiable sight. Their physical condition is poor, and their faces are devoid of any expression of happiness or well-being. They appear to be miserable, both physically and mentally."

Covering up Their Crimes.

A characteristic attempt to justify the employment of little girls in the silk mills occurs in the report. After a previous admission that "the work could be done by adults" it is asserted that "there is usually, however, a shortage of labor." A few paragraphs before, the point-blank declaration had been made: "There appears to be no shortage in the supply of labor and the commission is satisfied

that there would be no shortage should young children be debarred from employment in the Shanghai district." Such contradictions show the impossibility of unprejudiced reports from capitalist investigations of matters involving the right of exploiting the workers. Not a single representative of labor sat on this committee.

No End to Their Toil.

As if twelve hours a day or night were not enough, "the children frequently have to stand the whole time they are at work," the report states. They do not get Sundays off. "Apart from interruptions and the customary holidays at Chinese New Years (two or three days—editor's note) work is continuous." Meals must nearly always be eaten within the factory. Often no definite time is set apart for these. In some places children are given paper tickets good for his meals. If lost, they are fined ten cents, thus losing their food allowance for two days.

Indefensible, But Nothing Done.

The report declared "the commission is satisfied that the conditions under which these children are employed are indefensible." Yet a quorum of the few thousand foreign tax-payers who control Shanghai, could not be obtained for a special meeting to remedy such a condition of affairs! A partial clue to their failure to act is found in a few lines of the report which states that the employment of older workers would require slight changes in the machinery used and a consequent expense to the employers. So the latter prefer to keep their little child slaves and grind their small bodies into blood-stained profits.

CHILDREN ON THEIR WAY TO WORK

Mill workers like these little ones are employed by the thousands for a wage of a few cents a day. They work for twelve hours, either during the day or the night, and often have to stand the full time.

Child Contract Labor System.

Readers familiar with the origin of our present economic system will recall that in its early days English contractors used to get children from the poorhouses to work in the factories. The poor law authorities were thus relieved of the burden of caring for them and the taxpayers of that day were freed from contributions for their support. The factory owner got his labor for almost nothing, with no legislation to hinder his manner of exploitation. The contractor got a good profit for supplying the labor. The children alone were the immediate sufferers and their miseries form one of the most tragic chapters in all England's bloody history. That was the time when children of five were worked for sixteen hours a day. Irons were riveted to their ankles if they proved refractory, while their bodies were disposed of in the most ghoulish manner if they succumbed to the merciless conditions which prevailed.

Precisely such a contract labor system exists today in China. Contractors go out into the country districts, hire the children of poor parents, bring them into the industrial centers, and practically sell them to the mill owners. The parents get $2 a month and the contractor $4, a profit of 100 per cent on his investment. The commission declares that "these children are most miserably housed and fed. They receive practically no money and their conditions of life are virtually those of slavery."

"Radical" Recommendations.

What were the "radical" recommendations of the commission which so aroused the antagonism of the Shanghai taxpayers? They were the following: immediate prohibition of the employment of children under ten, this restriction to extend to those up to twelve at the end of four more years; a 12-hour day for those under 14, and one day off in at least every two weeks for all child workers.

As Bad in North China.

While the information we have just been giving covers the Shanghai district, it is typical of industrial sections all over the country. Sherwood Eddy, International secretary of the Young Mens Christian Association, who in 1923 carefully investigated the labor situation in China, makes reports such as the following on what he saw:

Referring to a large match factory in north China, "said to be the best of its kind in the city," he writes: "We found there 1100 employees, for the most part boys from nine to fifteen years of age, working from 4 A. M. to 8:30 P. M., with a few minutes of intermission at noon. They work on an average fifteen hours a day, seven days a week, with no Sunday of rest. The boys receive from six to ten cents, and the men about twenty-five cents a day. The poisonous fumes of phosphorous and sulphur and the dust from the other chemicals burned our lungs even in the short half-hour we were in the factory. **Eighty men and boys in this plant have to visit the hospital each day for treatment.** Many suffer from 'phossy jaw', where the bones of the face decay on account of the cheap grade of phosphorous. **This could be avoided if somewhat more expensive chemicals were used, but it would cut down the profits, which are said to be very high."**

Those Bloodstained Rugs.

He tells about his next visit to "a Chinese rug factory making the most beautiful 'Persian' rugs for use in the homes of millionaires in America and Europe. . . . Twelve hundred boys and young men, from nine to twenty-five years of age, are here employed. The foremen receive $8, while other men average $4.50 a month and their food. Men and boys are working on an average of sixteen hours a day, from 5:30 A. M. to 10 P. M.

"The majority of the boys serve as apprentices for a period of three years and **receive no pay whatever,** but only get their food. This 'apprenticeship' is only a blind alley. After the boys serve for three years there is no future for them in the business. When they are graduated from their apprenticeship, they can become ricksha coolies and earn on an average fifteen cents a day. The fifty thousand ricksha pullers in Peking average less than this amount. **After five years of this work they are usually broken in health and are then useless."**

18-hour Day for Boys.

The fourth factory he visited was a "Chinese weaving establishment making cloth upon primitive looms." It must be remembered that while working conditions in the old hand industry of China have always been hard, the competition of the modern mills has made it very much worse, throwing many of those who formerly made at least a bare living entirely out of a job. Eddy states that at the time of his visit (1923) there were "15,000 boys in the city working on these looms. In normal times there are 25,000 employed, but many are out of work now. The wages paid to the men aver-

age $4.50 a month, or about 15 cents a day. The workers **average about eighteen hours a day, from 5 A. M. to 11 P. M., working seven days a week.** The **majority of the boys** are apprentices who **receive no wage whatever, but only their food."**

Work on Learning to Walk.

Of one of the larger silk mills in the north, Eddy writes: "We next visited a silk filature where a thousand employees toil from 5:30 A. M. until after 6 P. M. Here I found little girls seven years old earning 20 cents a day. Here are mothers working with nursing babies lying on the floor beside them or strapped to their backs.

"The children learn to work as soon as they are able to walk. Here they toil in the hot steam with their hands deftly manipulating the cocoons in the boiling hot water. The employers say the agile hands of little children are best adapted to this rapid work. The eyesight of many of the children had been effected from the hot water and steam in their eyes. With no medical care for their eyes, these children must give up work and face hunger or go on and be satisfied with a smaller wage."

Starvation Wages.

As might be expected these terrible labor conditions mean also incredibly low wages for both children and adults. Wages, moreover, are paid only for days actually worked. The Shanghai committee reported the average earnings of a young child as not over 20 silver cents a day (about ten cents in our currency). Some of the little girls in the silk mills made twenty-five silver cents for their day's toil. Do not forget that these wages are for

a day of at least twelve hours, as likely as not stretching thru the long night, with no Sundays off or other holidays save a few days at Chinese New Years, and frequently with the child standing thruout the entire period of its labor.

The Apprenticeship System.

Child labor is the very basis of the apprenticeship system prevalent in China, both in the old handicraft and the semi-modern workshop, and to a lesser extent in general in the modern factories. Apprentices get their food, clothing, shelter, and generally a small sum, either at the end of their term or of each year. This system as practised in several of the large cotton mills of the North is particularly reprehensible. Thousands of boys from eight to eleven years old are taken in as apprentices, to serve for three years. They work in twelve hour shifts, with no weekly days of rest. At the conclusion of their term they are dismissed, to make way for a new batch.

In general, apprentices are taken at the earliest age at which they can begin to learn and at the same time be of some value to the employer. Work in the laundries is hard, the hours being usually from dawn to dusk and often late into the night. Half an hour is allowed for the mid-day meal. The boys frequently eat and sleep in the same room. For their three year term they receive from $60 to $70. In the building trades the boys are usually hired when eleven years of age. Most of them live with a sub-contractor thru whom they are apprenticed. They are badly fed even while working so their conditions may be imagined when trade is restrictions would not have any effect in the treaty

ports. On the other hand, Chinese employers, if the restrictions were at all severe,—and they would have to be to do any good,—would merely move their establishments into a foreign concession and they would be free to exploit their labor to their heart's content. Strangely enough, the home laws of the foreign nationals apply to govern their conduct in China, **except those involving the rights of workers.** Labor, it universally appears, has only those rights which it is able to enforce thru its organized power.

Adult Labor Conditions.

We have dwelt at length on the conditions which oppress the child workers because the chilslack. The term is for three to five years.

Chinese Law Unavailing.

So far as the children employed in the huge factories in the foreign concessions are concerned, —and there are tens of thousands of them,—the Chinese have no way of protecting them by legislation. The right of extra-territoriality gives immunity from Chinese law to all employers so far as their establishments in these sections are concerned, whether they are Chinese or foreigners. Therefore it is difficult for the Chinese to protect themselves at all against such child labor exploitation. Their restrictions would not have any effect in the treaty

port. On the other hand, Chinese employers, if the restrictions were at all severe,—and they would have to be to do any good,—would merely move their establishments into a foreign concession and they would be free to exploit their labor to their heart's content. Strangely enough, the home laws of the foreign nationals apply to govern their con-

duct in China, except those involving the rights of workers. Labor, it universally appears, has only those rights which it is able to enforce thru its organized power.

Adult Labor Conditions.

We have dwelt at length on the conditions which oppress the child workers because the children of a race represent its hope for the future. Hardly less terrible are the conditions under which the parents and adult workers in general labor.

According to the report of the Chinese ministry of agriculture and commerce for 1923, in the 29 principal industries for which statistics were returned, wages ranged from a minimum of 1½ to 7½ cents a day for the men to a maximum of 20 to 50 cents. Women's wages varied from a minimum of 1 to 17 cents and a maximum of 2½ to 42 cents per day (reduced to U. S. currency). Working hours were generally 12 to 14, tho laborers in the cotton mills at Shanghai put in from 11 to 20 hours, depending on business conditions. M. T. Tchou, a Chinese authority quoted by Partington, sets the average monthly wages in the cotton industry at $9 for unskilled and $19 for skilled males, and $7.50 and $12, respectively, for females.

In many factories, such as silk filatures, work begins generally at five in the morning and lasts until six or seven in the evening, or even later. Laborers in the steel mills work usually a twelve-hour day. Every ten days when shift is changed they put in 18 hours at a stretch. Machinery workers have from 10 to 14 hours. The beautiful pongee silks, so much admired by our women, are manufactured at Chefoo. The 40 factories there employ

26,000 boys and young men at an average wage of 12 cents a day on a 13 hour-day basis.

Unskilled Workers Treated Worst.

Among the adults the coolies are treated the worst. They get from $6 to $9 a month for working from sunup to late at night in the hardest kind of drudgery or at farm labor. They have no days off. In common with others of the most poorly paid they are compelled to sleep in shifts, paying a small sum for the privilege of the use of a bed for a few hours a night, to give place to the next user. This most insanitary and unhealthful practice used to be common in many of our own steel centers. To the grownups, as to the children, time off for meals is practically an unknown luxury. They munch their cold lunch while they are working. As stated previously about the children, the adults, too, get paid only for actual working time, and receive no weekly day of rest.

Woman Labor Prevalent.

Owing to the tens of millions who have always been close to the border line of starvation in China and as a result of the dislocation of the native economy caused by the introduction of large-scale methods of capitalist production, it has hitherto been easy to get an unlimited number of applicants for work in the new industries. This condition made labor organization not only well-nigh impossible but it also enabled the employers to pay wages below the standard of a living which would reproduce a new mass of physically capable workers. The exhausted laborers were merely thrown aside like so much wornout machinery and new supplies

drawn from the apparently inexhaustible masses. With wages generally below a living standard, the other members of the family were swiftly drawn into the industrial vortex. So we find an enormous number of women workers in China and discover that their total, like that of the children, is fast increasing,—much faster proportionately than that of the men.

Women Treated Like Slaves.

Women are found in all kinds of industries. They work not only long hours and on night shifts but also at coarse and heavy labor which brutalizes as well as exhausts them. Their pay is very low and wholly inadequate. W. T. Zung, a member of the National Committee of the Young Women's Christian Association of China, writes: "Thousands of women left their villages for the crowded industrial centers where they are gainfully employed, but where they live also lives of slaves. Insanitary, filthy slums have grown up around the factories. Because of their long hours of labor the women have no time to attend to their household duties or care for their children. Since there are no provisions to protect the mothers the health of the women workers is often impaired. This neglect is general thruout China." The demands of the striking silk workers, who are mostly women and young girls, includes one for the reduction of hours to ten, **exclusive of the time for meals and for feeding babies in arms who are taken to work by their mothers.**

No Health Provisions.

With few exceptions factories in China make absolutely no provision for the health of their work-

ers. As Zung remarks: "In the modern factories the health and welfare of the workers are for the most part completely ignored. Overcrowding, bad ventilation, high temperatures, and insanitary conditions are often found. Suitable seats, dining rooms, first aid, rest rooms, or sanitary washrooms are unheard of luxuries. Not infrequently accidents are caused by the lack of protective equipment on machinery."

Searched on Quitting. No Definite Pay-Days.

Mr. Liang states that factory workers are searched daily at the end of their working hours. The process sometimes takes hours, as thousands are employed in the larger establishments. For the time thus taken the employees, however, receive nothing. He furthermore declares that there are no definite pay-days. Where less than 15 days are due, a discount of 20 per cent is made by the employer. Should a worker not show up for a day at the factory he must put in two days for the boss free of charge. Employers have even gone so far as to prohibit their employees from wearing heavy clothing in the winter because, they allege, it makes them clumsy and thus interferes with their efficiency. It should be noted that many of the factories are unheated even in the coldest weather.

Phosphorous Poisoning.

It took a tremendous agitation of many years before the manufacture of matches tipped with the ordinary white or yellow phosphorous could be stopped in the United States. Phosphorus in this form is a deadly poison. Its free dissemination had led to many deaths and numerous suicides and wilful

murders. Workers exposed to its vapors are subject to a peculiarly distressing disease which attacks the jaw and ultimately produces necrosis of the jaw-bone, popularly known as "phossy-jaw." As early as the middle of the last century a Swedish manufacturer was using for his matches a modified form of this substance, known as red or amorphous phosphorus. In itself this is perfectly innocuous and no evil effects arise from freely working the compositions of which it forms an ingredient. Besides, the matches thus prepared will strike only on prepared surfaces, thus lessening the fire risk.

Women and Children Most Exposed.

Today that same life-destroying form of phosphorus is used by the 51 large match companies with plants in China. They have a capitalization of over $6,000,000 and an annual turnover of more than $12,000,000. The factories where these matches are made are generally dirty, ill-ventilated, and dark. Many of the workers suffer from lung diseases thru the inhalation of the poisonous fumes from the phosphorus and sulphur, and many others get the dread "phossy-jaw." Most of those subject to these dangers are women and children. The work-day is 13 hours, including an interval at noon for lunch. Women get from 20 to 50 coppers a day (less than half in our money) and boys and men from $3 to $10 monthly. There are few holidays. In one case investigated it was found that a dormitory near the factory housed 300 indentured child slaves whose daily toil lasted from **3:30 in the morning to 7:30 at night, every day in the week.** Most of the children were thrown out upon the casual labor market at the end of their term of three and one-half years.

Precautions Would Cost Money.

The child labor commission at Shanghai reported that in the match factories of that city much of the box-making is a home industry. A mother and one child is able to finish between 2,000 and 3,000 parts of a box a day. They receive for this 9 copper cents a thousand, or about 12 cents a day in our currency. No precautions are taken against fire tho this is a special hazard in the industry. "In one large factory visited," the commission stated, "children not more than five years of age were seen to be working with almost incredible rapidity. Many babies and infants who could scarcely stand, slept or played on the floor while their mothers worked." These conditions, Partington points out in his article, could all be avoided if somewhat more expensive equipment were used. But, as he adds in reporting these facts, **"it would cut down the profits."** Beside the sacred right of coining the bodies of women and little children into gold, what does anything else matter, especially the life of boys and girls and their poverty-stricken parents in far-off China?

Huge Profits in the Business.

Paul Hutchinson, in his recent book "China's Real Revolution" (1924), reprints the annual financial statement of one of the big textile factories as it appeared in a trade journal in China. It reads as follows:

"The profits of the (name omitted) factory again surpass $1,000,000. To those who bestow thot on the progress of textile industries in China, the following particulars concerning this concern may be of interest. The company was started in

1904 and had a paid-up capital of $600,000 in 1916. . . . For the past two years it has been running night and day without intermission. . . . The working hours are from 5:30 A. M. to 5:30 P. M., and from 5:30 P. M. to 5:30 A. M. respectively. No meals are supplied by the factory. Most of the cotton is produced locally. . . . It will be seen that the company is in an exceptionally favorable position. With the raw products at its door, an abundant and absurdly cheap labor supply to draw on, and no vexatious factory laws to observe, it is not surprising that its annual profits should have exceeded its total capital on at least three occasions."

For sheer unmitigated insolence and nerve on the part of the capitalist class in boasting publicly about its exploitation to the last drop of blood of its helpless child and woman slaves, this surely cannot be surpassed! It is no wonder that the Y. M. C. A. secretary at Chefoo reported that "China is a paradise for the employers." Matazo Kita, president of the Nippon Menka Kaisha (Japan Cotton Co.), one of the big textile corporations of Japan, was quoted by the Japanese press upon his return from a tour of inspection of the industrial centers of China in the fall of 1924 as declaring that "the mills in China are making money right and left." The tremendous influx of British and Japanese capital of late years is an eloquent testimonial to the profitableness of industry in China.

Wages Vs. Cost of Living.

It may be objected that the wage rates quoted really mean more in China because the standard of living there is so much lower. We may readily concede a great difference in living expenses without

at all mitigating the fact that from the Chinese standpoint itself the wages are far below a decent living standard. In the present social system where capital flows increasingly in disregard of national frontiers to the places where, other things being equal, labor cost is lowest, this furnishes the basis for a competition in manufactured goods which the other nations can in no way meet except by bringing down the wages of their own working class to approximately the same level,—that is, under capitalism.

While wages in general in China have risen in the last quarter century they have not gone up nearly as fast as the cost of living, thus indicating a worsening of the conditions of the working class. This phenomenon is common to all capitalist countries, despite exceptions under peculiar circumstances or for particular groups. The price index for Shanghai, according to the Chinese Economic Monthly, shows an increase of 50 per cent since 1913. In Canton during the last four years the cost of rice, the chief article of food of the workers, increased 20 per cent; sugar, 81 per cent; bean oil, 60 per cent; and firewood, 90 per cent. The comparison over a longer period illustrates the degree to which living costs have risen still better. In Foochow, a typical Chinese city, during the last thirty years the price of rice has doubled, firewood is three times as expensive, and vegetables on the average are fifteen times as much. The living expenses of a family of five in that city have grown in that period from $10 (silver) monthly to $30, or 200 per cent, Professor Charles Hodges, of New York University, declares in a recent magazine article.

Why Six Year Old Children Work.

Partington estimates the cost of supporting a family of five of a skilled worker in Shanghai at $35.86 a month and that of an unskilled worker at $21.34. No allowance is made in either case for sickness or savings, tho why the Chinese are not subject to sickness or accidents would puzzle anyone except perhaps an English bourgeois economist. As the average wages are only about one-half of these amounts the family would starve unless its other members also worked. The official Labor Report stated that the wages of adult workers in that city did not exceed $15 a month while that of the unskilled was about $8. On the other hand, the report stated that the minimum cost of existence for two people (a childless couple) from the poorest section of the population amounted to $16 a month.

As Bad in North China.

Conditions as intolerable as these prevail in North China as well. Chas. G. Batchelder, for years acting commercial attache of the United States in China, states: "It is calculated that in North China the minimum annual cost of food and clothing for a family is $150, without considering rent, heat, and the indispensable sundries, but **about 80 per cent of the families have less than this.**"

The terrible economic pressure which drives the children at such a tender age into the factories comes, of course, from the inadequate wages of the father. A. Percival Finch, whom we have previously quoted, writes: "Children have to start work at an early age in order to supplement the family budget. In many cases the whole family is in the factory because even in places like Shanghai it has been

shown that, taking the average cost of living and a man's average earnings, **40 per cent of the families would be living below the poverty line if no other source of income was discovered. These children must go out to work or face starvation.**"

Dislocation of Food Supplies.

The very inroads of the capitalist system, moreover, as against the ancient self-sufficiency of the country has been partially responsible for higher food costs to the Chinese. The ease of quickly transporting wheat and rice by railroad and modern steamship lines to Japan and Europe has resulted in a growing and important export of these basic foodstuffs out of Chinese communities in which they were formerly disposed of locally, often at a time when famine conditions prevailed in China itself. A similar condition sometimes existed in Russia under Czaristic rule when agricultural production was manipulated by speculators, as it is still in America.

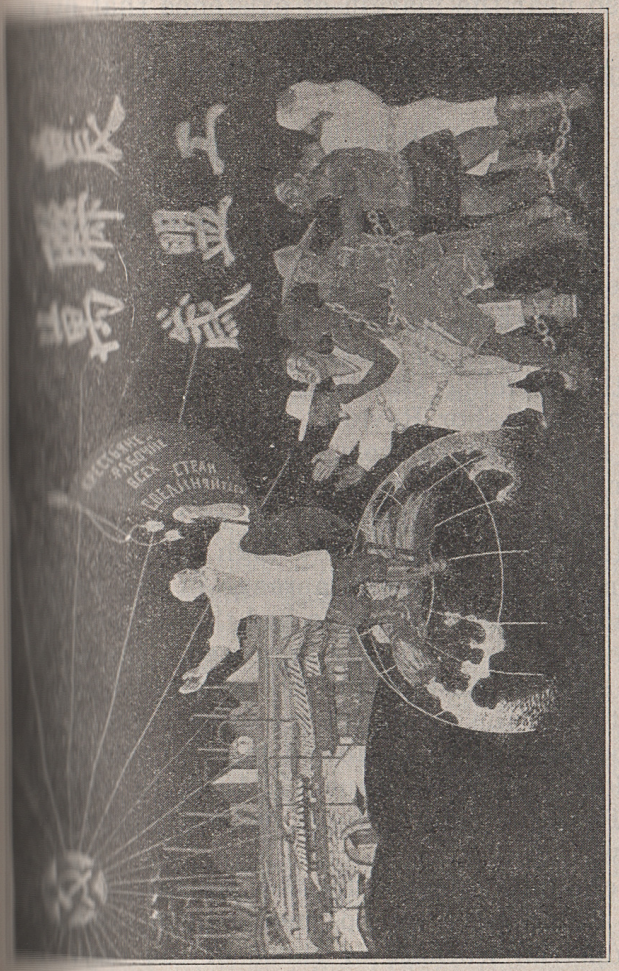
Another instance of this same effect can be seen in the decreased areas planted to rice. From 1915 to 1917 this area dropped from 406,000,000 mow (a mow is equivalent to one-sixth of an acre) to 181,000,000 mow, a decline of over one-half. In its place were planted cotton and tobacco. The change occurred because of the huge demand for those products by the foreign factories. Thus under the dislocation to the primitive social economy caused by the swiftly spreading capitalist system with its production for the world market, the supply of the most essential Chinese food was very seriously diminished. This situation, in turn, contributed greatly to famine conditions which drew large num-

bers of the starving peasants into the factories and upon the large plantations, to work there for any wage and thus undermine the already inhuman standards prevailing.

The Peasant and Farm Laborer.

Inasmuch as China is predominantly an agricultural country, 80 per cent of her people engaged in tilling the soil, it is important to survey conditions among this great mass. In the fact of an overwhelming peasant population—as well as in the fact that it is illiterate—there is a striking similiarity between China of today and the Russia of the Czars.

Tho most of the farms are very small, there is a very large number of tenant farmers. According to a report to the United States Department of Commerce, a recent survey made by Chinese students under direction of American instructors, of conditions in 240 farming communities in five of the northern provinces showed that half or over half of the farmers in Chekiang, Kiangsu, and Anhwei were tenants. Over one-half of those in all five provinces received an income of less than $150 a year, the proportion rising to over 80 per cent in the northernmost. This sum was taken as the minimum on which a family of five could live in such agricultural districts. It included no allowance for fuel—an absolute necessity,—nor light; and allowed of no meat, eggs, or even fish. "The only way in which it is possible for the farmer to exist at all," states the report, "is by a drastic cut in food consumption. This is what actually takes place, for during the winter months he may be said practically to hibernate, saving himself from all unnecessary exertion from December to March, and emerging



Banner given the Chinese Peasants' Union by the Peasants' International at the Chinese peasants' national convention in Canton in 1925. The inscription on the banner reads: "Peasants and workers of the world, unite." The figures at the right represent the peoples of the oppressed colonies and subject nations.

in the spring to work again in the fields in such an emaciated condition as to render him unfit for any real exertion for several weeks. . . . The Chinese live so near the margin of existence that even in good years it is necessary for them to eat elm bark and gather willow leaves to eke out the winter rations."

Predicts A Farmers' Revolt.

Statistics of wage conditions among the millions of Chinese farm laborers are very scarce. An investigation by the governor of Kiangsu province several years ago showed that the wages paid to agricultural workers in that part of the country averaged from 17 to 19 cents a day. Ta Chen, reviewing the farming situation in China, (United States Monthly Labor Review) declares that "even the small farmer who supplements by outside work the income from his farming is not making ends meet" chiefly, he explains, because of the high interest rates and the relatively high cost of crop production due to the small acreage of the farms. Rural conditions, indeed, are so bad that he predicts unless they are "immediately improved," there will "soon be signs of an agricultural revolt in China." An indication of the revolutionary awakening of the Chinese peasants is to be found in the decision of their national congress, June 17, 1925, to affiliate with the Peasants International, with headquarters at Moscow.

The changes effected by the spread of capitalism in China have by no means been confined to the industrial workers or those of the city. It has brot to the peasants the all-pervading competition of the world market, with incalculable influences reaching out to the most remote districts.

CHAPTER FIVE.

THE RISE OF THE LABOR MOVEMENT.

The industrialization of any country inevitably brings with it the organization of its working class. As capitalism develops, there is formed on the one hand a proletariat whose sole means of support is the sale of their labor power and who comprise a continually increasing proportion of the population, and on the other hand a small group of capitalists who own and control the industries in which the workers are employed. This process has been going on in China.

The first national congress of the Chinese workers was that held in Canton, May 1 to 6, 1922. At this conference there were 160 delegates present, representing 200 unions with a total membership of over 300,000. Resolutions were passed including demands for the 8-hour day, mutual aid for strikers, a permanent national organization, and a policy of industrial unionism. The Chinese National Federation of Labor was thus formed. In May, 1925, the second Chinese National Labor Congress was held in Canton, attended by 285 delegates representing 450,000 organized workers. At this meeting it was unanimously decided to affiliate with the Red International of Labor Unions (R. I. L. U.), the headquarters of which are at Moscow, Russia.

Prior to that time (1922) the labor movement developed thru a series of spontaneous strikes which met no serious opposition. The rising native bourgeoisie aided the strikers, for their struggle, then

directed against foreign-owned factory owners, meant the diversion of business to the Chinese merchants and manufacturers. However, towards the end of 1922 when labor conflicts arose in Chinese establishments also, a decided change in attitude occurred among the native bourgeoisie. This hostile tendency expressed itself in the government's use of troops as well as police to break the strike of the Tan-Shang miners in October, 1922. This first interference of the political state with both soldiers and police in an industrial struggle of the Chinese workers resulted in defeat for the latter, and was a telling object lesson to the new labor movement of the country.

The Seamen's Strike.

A spectacular demonstration of the capacity of the Chinese workers to conduct a struggle against the most powerful modern corporations and a striking display of the solidarity possible among the most oppressed and poorest workers was furnished by the Hongkong seamen's strike of 1922. At that time the seamen were organized not on the lines of a class union but of the characteristic Chinese guild. "The wonderful organization displayed in the strike," states Finch, "came as a shock to the employers along the China coast, who realized that henceforth industrial relations would have to be placed on a different footing." The 60,000 strikers succeeded in paralyzing the coastal trade of the country and in crippling to a large extent European and Pacific commerce generally, as well as in effectually tying up the port itself. The strike was generally backed by all sections of the Chinese, even the merchants, taking the form of a struggle against foreign oppression.

In accordance with the usual practice of the police authorities in Hongkong, the most extreme measures were taken to break the strike. Orders were given that the Chinese strikers should not be allowed to leave the British territory, tho most of them had their homes in the native city. A large number peacefully leaving the British section were fired upon by an English armed guard, resulting in many casualties. In spite of these terroristic tactics by the employers, the seamen won after a six weeks struggle. They received a wage increase of from 15 to 30 per cent, retroactive to January 1, 1922, the date when the strike began, and the recognition of their union. In addition, the shipowners were compelled to give the strikers half pay for the time they were out until the day set for the general resumption of work. Where jobs were not available for seamen ready to return half pay was to be continued until positions were secured, for a period not exceeding five and one-half months from the general resumption of work. In this way the employers were penalized for having refused to settle with the union at the beginning of the trouble. The last two provisions of the contract were not carried out by the companies, which were backed in this repudiation by their governments. Robert Hotun, a leading compradore (wholesale dealer) and banker of Hongkong,, who is the Chinese agent of British imperialism in that section, had promised these concessions in the names of the foreign shipping companies for which he had been active in the negotiations. He delayed payments of the promised sums and finally refused to carry on the provisions at all, thus revealing the treacherous character of the Big Business elements among the Chinese.

The Fighting Railwaymen.

Another illustration of the resourcefulness of the Chinese workers is found in the efforts to unionize the employees of the Peking-Hankow railway in 1923. General Wu Pei Fu, then being suported by English and American interests in his attempt to become military dictator in China, had a number of the strikers shot and their leaders executed. In a conference later at his headquarters he had five more of those prominent in the agitation murdered in cold blood. Despite these harsh measures the work of unionization went right on in secret. Today there is a strong organization on that railroad.

The year previous, 1922, at a railwaymen's conference in Peking in October, a committee for the creation of a National Federation had been selected. Plans had already been made for convening a Pan-Chinese congress when the bloody repressive measures of Wu Pei Fu blocked the work. Illegal unions were secretly organized on the principal lines. The delayed convention was finally held at Peking on February 7, 1924,—the anniversary of the massacres of the railroad workers.

Forty delegates attended, representing eleven railroads. The result of the deliberations was the founding of the National Union of Railwaymen. The primary object of the organization is to promote a common solidarity among all workers on the railroads, in place of the tendency to build up unions based on the craft lines familiar to the workers of this country. The convention elected an Executive Committee of eleven and a Presidium of four members to conduct the business.

The manifesto issued by the union thus formulated its principal aims:

1. Improvement of living and general conditions of the workers, as well as the protection of their interests throughout the country.

2. Solidarity and co-operation among the workers, abolition of all prejudiced divisions and dissensions among workers.

3. Raising of the general level of class consciousness, and arousing the class consciousness of the workers.

4. Aid in the organization of trade unions on all the railway lines, in establishing contact among them, as well as with the other trade unions of China and the international labor organizations.

This contact was established thru the passage of a resolution by the Congress itself to join the international organization of revolutionary transport workers. The Chinese railwaymen were represented at the last conference of this organization held in Berlin.

Strikes Mostly Successful.

Most of the strikes of the last five years have been successful. Out of 21 strikes in 1921 only one was lost. From 1919 to 1923 there took place 279 strikes in the foreign settlement at Shanghai. Forty-two of the 69 most important strikes for the period of June, 1921, to February, 1923, were complete victories and only a few total failures.

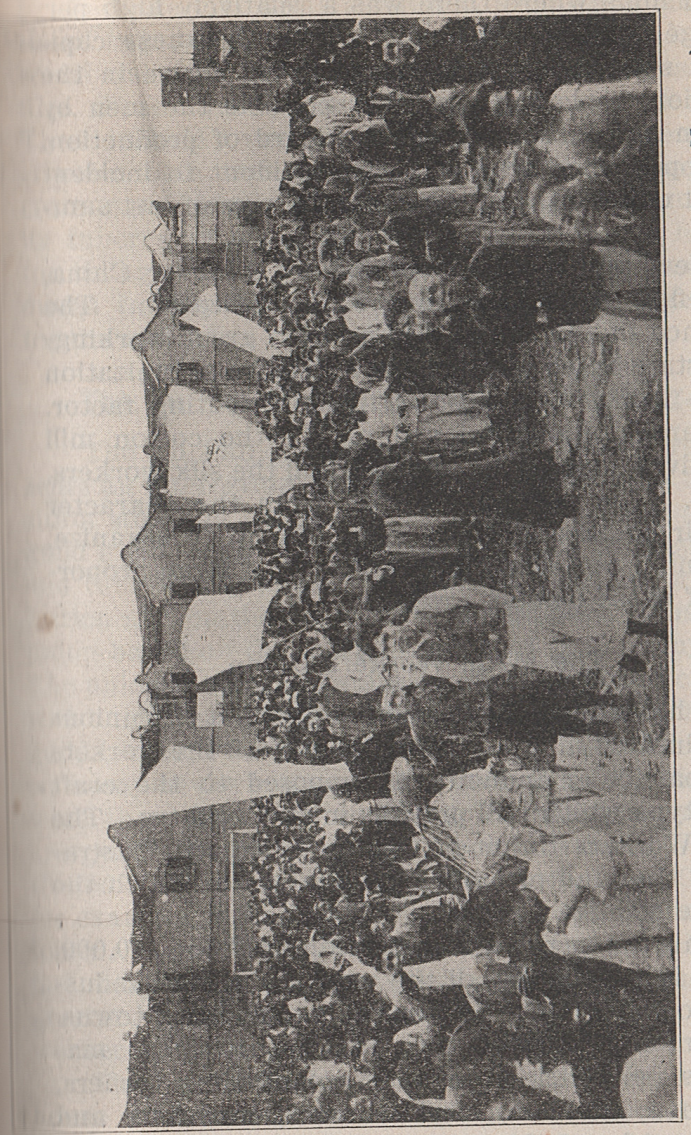
The 1924 Awakening.

The international conference of transport workers of the Pacific, held at Canton in June, 1924, marked the beginning of a new period in the labor movement of China. For a year and a half the unions had operated underground, with all the

force of the state used against them. Working class organizations had been forcibly disbanded, meeting places and offices denied them, their leaders arrested and given harsh jail sentences when not shot or executed, and even the cooperatives dissolved. The conflicts between rival military governors, and their need for popular support, together with other changes in the general political and economic situation, rendered it possible for the unions to come out in the open. They still encountered bitter opposition, particularly in cities like Shanghai where the foreign industrialists made their support of the tuchuns contingent on breaking up working class revolts.

Unionization Proceeding Rapidly.

The unions have made the greatest progress in the South, where Sun Yat Sen encouraged their formation, granting them legal recognition, and furnishing them every facility for their proper functioning. There are now over 300 unions in Canton alone. Hongkong has 200 and Shanghai, which has become the great industrial center of China, had in 1925 at least a hundred local organizations. Nearly one-third of the entire industrial proletariat, somewhat over half a million (1925), of the country is concentrated in Shanghai. Of these, approximately 80,000 were then unionized, not including the thousands of coolies, dockers, and drivers who also had organizations. The overwhelming number of women and children in the Shanghai mills—about one-half are children, mainly girls, and most of the adults are women—made it extremely difficult to organize the textile workers of that city. It was not until the end of 1924 that a beginning was made by the formation of a union in certain Japanese-



International Newsreel

COTTON MILL WORKERS ON STRIKE

It was such a strike as this which the Japanese tried to settle, first by discharging and ferreting out the agitators; secondly, by a lockout; and finally, by having the strike leaders arrested by the British police chief and using hordes of spies, scabs, and police and soldiers to break the workers' revolt.

owned mills where there was a relatively high percentage of men. Immediately the Japanese capitalists started in to discharge those active in the agitation, replacing wherever possible the men by women and increasing the standard of production. This open shop war led from incident to incident until it culminated in the general strike of last summer.

New unions are springing up all over China, the reflex of its increasing industrialization. The influence of the Soviet Union, as a great working-class state based on the most extensive organization of the workers, is a powerful contributing factor. The largest industrial groups are the cotton mill operatives, numbering 160,000, and the silk workers, 80,000. The porters, 100,000, from the character of their employment, are very difficult to organize. The union movement has won over a large proportion of these leading groups.

The Metal Workers Union.

It has already been pointed out that the unions are industrial in type. They include all the workers of a particular industry as opposed to the craft union type which still prevails in this country. The Metal Workers Union of Canton is a good illustration of the kind of labor organization in which the Chinese believe.

This union has a membership of about 160,000, taking in practically all the workers in that industry who work in the city or the surrounding towns. The union is divided into ten departments: machinists, electricians, stokers, founders, turners, draftsmen, molders, steel workers, modelers, and copper workers. Its program is very broad, aiming

to effect the industrial, economic, social, and educational improvement of all its members. The broad social vision of its founders is evidenced in its activities, those already under way and those projected. These include a monthly and weekly newspaper, the erection of a technical school for the training of craftsmen under union auspices, a sanitarium for its tubercular members and a convalescent home for its aged; a general hospital, a savings bank, a model factory for mechanics, and a kindergarten for the children.

The Lu Pan "Industrial" Union of Peking.

The Lu Pan Industrial Union of Peking represents an interesting contrast for it embodies a transition stage on the one hand between the old trade guild including both employers and their journeymen and functioning principally as a contracting organization and on the other hand the modern industrial union based on the class interests of the employees. The union is an amalgamation of a number of crafts which formerly constituted independent trade guilds, characteristic features of the historic social economy of the country. The lines of craft divisions were then drawn as rigidly in China as they still are generally in the official labor movement of the United States. Members of the Carpenters Guild, for example, were forbidden to touch a blacksmith's tools. These distinctions, tho thus deep-seated, are fast disapearing in the new labor movement and the greater solidarity enormously strengthens the workers.

This organization regulates the wages and hours of its members. It gives assistance to its poor, sick, aged, and unemployed. In addition, it

bids on building projects by the government. Contracts thus secured are distributed by lot to its members. For losses on contracts thus obtained they may be reimbursed by the union on showing good cause. Members who have difficulties in collecting accounts or are involved in law suits may appeal to the organization for assistance. If in need of money, the union may advance a certain amount at a nominal interest rate. Of late years the competition of foreign building contractors has seriously interfered with this phase of its activity. With the inevitable supremacy of the Western type of business organization, the Lu Pan union will have to give up its attempt to do contracting and confine itself to representing the class interests of the craftsmen.

How the Chinese Treat Scabs.

An interview which Paul Blanshard, field secretary of the League for Industrial Democracy, had with the secretary of the Chinese Electrical Workers' Union of Shanghai while in that city during the general strike last summer, illustrates the tactics of the workers. Asked what the union did to the strikebreakers, the secretary answered: "We take care of strikebreakers very easily. We just drop around to their houses, take them out to some convenient lot, and make them kneel down in a circle of strikers.

"We don't beat them up at all, but we make them sign a statement something like this: 'I am a dirty low-down traitor to my fellow-workers'. Then we take their pictures and their statement and hang them up where everybody can see. . . . No, we don't have many strikebreakers."

A Militant Labor Movement.

Like the Russian workers, those of China have developed a militancy both of object and method. Unencumbered by the dead weight of a traditional form of organization to meet the onrush of large-scale modern industry, they have been able to forge ahead, using the tactics best suited to the immediate situation. The Chinese labor movement has already realized the inevitable conflict between the working class and its allies as against the political organization of the ruling class, the capitalist state. This very significant fact struck the attention of Finch, who observes: "One of the most disturbing phases of China's development in recent years has been the increased use of mass action and organized agitation, not only as weapons in industrial disputes, but as manifestations of growing political strength." This aggressiveness he attributes to the influence of socialist doctrines from Russia and to resentment against the interference of the military governors in the economic struggles of labor.

"P. & A. Photo"

GENERAL STRIKE POSTER

Poster showing student slain by British police of Shanghai during the May 30 demonstrations. Similar placards were posted all over China by the Students Union during the General Strike and contributed greatly to arousing the Chinese masses to

CHAPTER SIX.

THE STUDENTS AND WOMEN'S MOVEMENT.

The militancy which characterizes the working class movement makes also the students movement, which is playing somewhat the same part in China as that played in Russia by the students just prior to 1905 and during that revolt. As we shall note in the story of Sun Yat Sen's life, it was the students, particularly those that had come into contact with democratic ideas in the United States and England, who led the struggle against the Manchus and later against the Japanese in retaliation for the infamous "21 demands," presented by Japan to China during the world war. It was their demonstrations also which influenced the Chinese delegation at Versailles not to sign the peace treaty confirming Japan's claim to Shantung. The economic boycott has been the particular weapon they have most successfully employed. Its use in 1915 against Japan caused very heavy losses to the traders of that country, the statistics showing a drop of 40 per cent in Japanese imports during that period. It was resorted to against Great Britain last summer in connection with the general strike. English authorities estimated the blockade of foreign commerce at Hongkong cost that country a million dollars a day.

From the very beginning the students have taken a deep interest in the working class movement. Their viewpoint was thus expressed in Paul Blanshard's report of what the leader of the Shanghai

Students Union told him during the general strike. "We students," he declared, "are fighting with the workers because we believe in the workers' cause. I understand that your college students in America are very different from us. I understand that they are not interested in labor and that they sometimes break strikes. It is inconceivable that a Chinese student should act as a strikebreaker. We are close to the workers in our thots."

Of course, it is a fact that most of the students come from the better-off families. Whether in the course of later developments they will as a mass swing over to the side of those who merely desire a democratic shell of government established in their country or whether they will, influenced by the success of the Soviet Government in conducting a great nation on a working class basis, go the entire road with the revolutionary workers remains for the future to tell. The position of preeminence historically accorded the literati, as the educated class was designated, has hitherto contributed towards the prestige of the students as a social group. The events of the past summer, however, indicate that the position of leadership in the struggle of the Chinese for national independence has passed to the industrial workers. The industrial development of the country, together with the increasingly sharp conflicts of interest between the great capitalist nations in their exploitation of China, will naturally accelerate this tendency.

The Position of Woman.

To those who still think of the Chinese woman as entirely untouched by the modern world, it must be a good deal of a shock to realize that the women

of China are taking their place with the men in the social, political, and industrial struggles which are going on. K. G. Hsiany, in an article in the International Press Correspondence of January 4, 1924, thus summarized their status in his country. He divided the women's movement into three distinct tendencies: the Working Women's movement; Feminism, and the Women's Christian Social movement.

The Working Women's Movement.

As a result of the development of international imperialism, the barriers which separated China from the outside world have been broken down and the country industrialized. Upon the ruins of the patriarchial regime, modern factories have arisen which, for the greater part, belong to foreign capitalists. The textile, silk and cigarette industry employ a whole army of women workers. The foreign capitalists, as everywhere, take advantage of the backwardness and the unorganized condition of the women workers in order to subject them to a double and threefold exploitation. Want and misery force the working women to participate in the class war.

Thus, there took place in the year 1922 and the beginning of 1923 a great number of strikes which bear witness to the awakening class consciousness and activity of the women workers. The far greater number of the strikes occured in Shanghai, which is chiefly devoted to the textile industry and the cigarette industry. Two important strikes, each of them involving three thousand women workers, took place in a large cigarette factory in Hupei. The extent and force of the movement are evidenced by the fact that in some instances the strike lasted three or four weeks and involved 20,000 women in

twenty-two different branches of the concern. The strikes, some of which were successful and some of which were without success, were carried out for various sorts of demands, all of which, however, bore the stamp of the outspoken class struggle against the capitalist exploitation: For increase of wages and salaries, against wage reductions, against the worsening of the factory rules, for the shortening of the working day and, it is interesting to note in repeated cases, including the largest strike, for trade union rights and the creation and recognition of organs for conducting struggles.

The total number of strikes during the period from February, 1922, to January, 1923, amounted to 18, the number of workshops involved in the strikes 60, and the number of working women taking part in the strikes 30,000.

The Feminist Movement.

The feminist movement in China dates back to the Revolution of 1911, in which the women also participated. Altho immediately after the overthrow of the Manchu dynasty this movement displayed a lively activity, it weakened noticably during the time of the reaction, whcih lasted until 1929. With the setting up of the government in the South, the feminist movement also revived, especially in Canton. A group of women intellectuals demanded equal civil and political rights for women. These demands were eagerly supported by the youth of both sexes and in January, 1920, were crowned with success. A woman was elected to the municipal council of Canton, and other women were appointed as inspectors of education, as municipal officials and officials in the state service, etc. In the year 1922 the students

of Canton founded a political society which set itself the task of fighting for the economic, political and civil rights of women. Similar organizations were formed in Shanghai, Tientsin, Nanking, Peking and other large towns. Their object is to fight for civil equality between men and women.

The activity of the Chinese feminists consists in joint petitions and demands to parliament. The feminist program contains the following demands for women:

1. Political rights.
2. Right of inheritance and independent disposal of property.
3. Equal pay for equal work.
4. Equal marriage rights.
5. Equality in instruction and education.

The feminist association of Shanghai has in addition its program of demands for the women postal employees as well as the demand for the eight-hour day for the women employed in the slik factories; further the prohibition of the employment of children under 14 years in the factories and, finally, the demand for a weekly day of rest for women workers.

The lumping together of women's demands which bear an outspoken bourgeois character with those which would be entirely in place in a proletarian class war program of working women, reflects the two-sided character of a women's movement which as yet has no clear orientation with regard to the classes. This is due to the fact that capitalism and bourgeois democracy in China have not yet reached that stage of development when the illusion of the universal sisterhood of the women

of all classes and of every social standing, as opposed to the men, has been torn aside.

The Women's Christian Social Movement.

Finally there exist in China Christian women's organizations. (Christian Youth, Anglo-American Associations of Christian Women). They are fairly numerous and work for benevolent aims. These societies occupy themselves more or less with the working women, but in a purely petty-bourgeois, bourgeois-democratic reformist sense. For instance, they set up situation bureaus for women, societies for mutual help and schools for young women. They send delegates to the International Congress for the Protection of Women's Labor. The society in Shanghai has, for example, addressed the following requests to the municipal council of Shanghai.

1. Prohibition of night work in factories for children under twelve years of age.
2. Organization of obligatory courses in the factories for the education of young working women.
3. Hygienic conditions of work in the factories.

It further demands the organization of creches in the factories for the children of the women workers and also sought to mediate on behalf of the working women on strike in the silk industry.

Working Women's Only Mass Movement.

Of these three kinds of women movements in China it is only the working women's movement which is a mass movement. The feminist movement is limited to the intellectuals and relies upon a purely petty bourgeois ideology and opportunistic

tactics which do not permit of the least revolutionary act. In spite of this, however, it is to be noted that many members of the Chinese women's organizations actively support the national revolutionary movement and thereby enter into a broader movement of the masses.

The Christian social movement seeks to draw masses of the working women into its ranks by demanding reforms for the bettering of the conditions of labor and the living conditions of the women. But this movement stands quite under the influence of foreign capital and continually seeks to stultify the revolutionary movement. Nevertheless, the cultural activity of this movement is accelerating the awakening of the Chinese women and is thereby creating the possibility for organization work among the broad masses of the working women and preparing the ground for bringing them into the Communist movement.

"The intellectuals of China have yet to learn that nationalism unless supported by organized force is a Lorelei, a beautiful woman whose lovers are wrecked upon the rock on which she sits and combs her golden hair. The requirements of a modern government, which is national organized force, are too concrete, too definite, to allow for mere ebullitions of language."—Trans-Pacific (Tokio).

"However brief and inconclusive the present episode, moreover, (referring to General Strike in China) one must see it, not as a minor and passing affair, but as a manifestation of a deep-seated and growing sentiment, the revelation of a movement which may prove the most important and significant of the century which we are now so well-embarked upon."—Frank Simonds, Review of Reviews, August, 1925.

"Thru all the dust which has been stirred up by the killing of demonstrating students, thru the flames that have been fanned ablaze by Chinese nationalism, we may see, indistinctly but certainly, the grim struggle between capital and labor, with British and Japanese bearing the full share of the responsibility for capital—this time."—"G", in "Foreign Affairs," London, October, 1925.

CHAPTER SEVEN.

THE GENERAL STRIKE OF 1925.

(A) Its Origin; The Attitude of the Powers, and Its Results.

Out of labor conditions so horrible as those which we have related, finding their counterpart in the early years of the factory system in England, arose the industrial conflicts which led to the general strike in Shanghai and other Chinese cities of last summer. In February, 1925, a strike had been called in one of the Japanese-owned cotton mills of Shanghai as a protest against the brutality of a Japanese foreman who had struck and seriously injured a twelve-year old Chinese girl worker. The child had committed the heinous crime of falling asleep in the factory after completing a twelve-hour night shift. The Japanese were accustomed to use the lash on their workers to speed them up and to punish them for violations of the factory regulations. The strikers demanded that this infamous method of enforcing orders should be abolished and their working conditions and wages be improved.

In April the Chinese workers in the Japanese-owned textile mills at Tsingtao, Shantung province, went out on a sympathy strike. The Japanese had seven factories there, employing 14,000 workers, of whom nearly one-half were children from 13 to 16 years old. Early in May the managements conceded the demands but a few days later they repudiated their acceptances upon orders from the home

"P. & A. Ph

AMERICAN VOLUNTEERS ON GUARD

At almost every street corner near the foreign settlements in Sh scenes like that depicted above could be witnessed during the General The building on the corner to the left is being used as a tempor to hold the most persistent of the agitators. The men on guard are A Volunteers, consisting for the most part of the clerks employed by A firms. These hirelings are risking their lives to protect the ill-gott of their masters.

office in Japan. Thus early in their struggles the Chinese workers discovered that the only thing which counts in the class war is the force with which they are able to back up their demands.

Having repudiated their signatures the Japanese owners followed the most approved American technique in smashing labor organizations by flooding their mills with police, stool pigeons, and strike-breakers of all kinds. Outbreaks followed between this imported rabble and the starving workers. On the 15th of May strikers were shot down by mill guards in Shanghai and this blood-bath was repeated by the feudal Chinese military leaders in Tsingtao a week later. Nothing was done to punish the murderers.

British Slay Chinese School Boys.

In order to make an end to the strike the Japanese mill-owners asked the British chief of police to arrest the leaders in the movement. Tho the British and Japanese capitalists would like to exclude each other as competitors in China, they are always, like other exploiters, anxious to help one another when it comes to a united front against the workers. Accordingly the British chief ordered his Sikh police (from India) to jail the agitators. Tho there was no law against striking and the city was not under military control the arrested Chinese labor leaders were promptly courtmartialled and given severe sentences. A mass meeting was held on Chinese territory to protest against this injustice. A few students marched from the meeting with their banners into the International Settlement. They were arrested and held incommunicado for a week, not being allowed to see their

friends, nor given sufficient bedding or food. On May 30 they were remanded for another week, not having been able to raise the excessive bail demanded. The mixed court assigned them for trial before a Japanese assessor. Yet it was in the Japanese mills that the trouble had started and there was besides the very bitter feeling between the two nationalities because of the arrogant attitude of Japan in the past.

Thereupon the students of the city, aroused by these intolerable wrongs done to their countrymen, flocked to the Settlement and organized a protest demonstration. As the parade was passing down Nanking Road, the principal thorofare, and just as it was opposite the Louza police station, British police inspector Everson ordered the crowd to disperse. The command was given in English, which, of course, was not understood by the Chinese. Ten seconds later, without a word of warning, he ordered his Sikhs to fire. He admitted all these facts in the investigation later, and conceded also that the first line of the paraders was not more than six feet away when the police shot pointblank into their ranks. At the first volley the crowd fled. The brave officer, however, ordered a second volley. The inquest showed that most of those slain had been shot in the back while trying to escape. The crowd was mainly composed of boys and girls from the schools of the city and it was these whom the imperialist murderers had shot to death, along with bystanders and some workers. The students were distributing handbills asking for justice to the strikers and their own arrested comrades. Not a single policeman was injured.

Workers and Students Stand Their Ground.

Be it said to the credit of the Chinese workers and students that they showed a magnificent courage in this critical situation. Day after day they kept up their peaceful demonstrations and day after day the British police fired on the unarmed crowds, even using machine guns posted for that purpose by the marines from the warships in the harbor. Wholesale arrests of the Chinese were made and house-to-house searches carried on to terrorize the workers. A reign of terror was instituted. Other Chinese cities witnessed similar sights. During the six days when these conditions prevailed in Shanghai there were at least 70 Chinese killed and 300 wounded in that city alone, according to an appeal issued in June by the staff of the National University of Peking. Not a single foreigner was reported on the casualty list.

Immediately the news of the massacre spread, the flame of resentment among the Chinese leaped like wild-fire. The accumulated wrongs and injuries of decades, the violent spoilations of their territory, the unprincipled intrigues and wholesale infringements on their national sovereignty, the contempt for them expressed at every turn by the foreign traders, the supercilious "holier-than-thou" attitude of the missionaries, and the insolence of the foreign military commanders,—all these wrongs which had rankled in their bosoms unexpressed for so many years now found a vent in the intensity of feeling aroused by the Shanghai massacres. If the shots fired by our embattled forefathers at Lexington were "heard 'round the world" we may be sure that history will record those rifle volleys fired by British command in Shanghai during last May and June

as the tocsin which summoned the oppressed colonial peoples and subject nations for a world-wide revolt against imperialism.

The Strike Begins.

Hundreds of thousands of Chinese went on strike. Early in June over a million had joined in this demonstration of solidarity—the greatest general strike in history. All classes took part during the first three weeks. The big warehouses and banks as well as the shops were closed for that period in Shanghai. On the 23d of June the strike of the business people ended, with the concurrence of the trade union council, leaving only the workers in the British and Japanese establishments on strike.

Foreign Intervention.

The foreign consuls had called for warships to protect their nationals as soon as the trouble began. The American consul in Shanghai cabled to the State Department that all his personal servants had struck, forcing him to cook his own breakfast and other meals.

On June 11 there were 23 foreign warships in the harbor, most of which belonged to the United States. England, France, Italy, and Japan were also represented. 3,000 marines had then been landed, a large proportion Americans. This country was quite properly fulfilling its function of international strikebreaker to the great joy of its British competitors.

The English consul, unable to accomplish anything in his own office, accepted the kind offer of his American colleague and moved all his effects into the United States consulate. The solidarity of

the international exploiters of labor was touching in this extremity! A despatch to the London Times stated that the walkout of the servants at the consulate was particularly annoying, don'tcher know? The message is worth reproducing: "The insult to the king's representative, whose personal servants have been seduced from work, provokes great indignation among the residents."

International Strikebreakers.

The trouble spread to Hongkong. The executive committee of the All-China Federation of Trade Unions, formed at the All-China Trade Union Congress in May, 1924, was in charge of the strike here, receiving the support of both the people and government of Canton, which is only six hours travel by steamer from Hongkong. The most desperate measures were taken to break the strike. Strikebreakers were recruited from even as far away as the Philippines. Russian "white guard" refugees found the job of scabbing on the Chinese workers more profitable than that of overthrowing the government of their native country. The city authorities resorted to wholesale murders of agitators, mass deportations and corporal punishment of strikers. At a meeting of the legislative council which rules the city, Sir Reginald Stubbs, the governor-general, made, according to British accounts, "an excellent fighting speech." He announced that arrangements had been almost completed for making the capture of those engaged in "intimidation" certain. "These should in the future be flogged while those already in jail would be employed in scavenging work in the city, a course which would possibly make them regret the results of their ac-

tivities." The Hongkong government by official resolution particularly acknowledged "the help of the American community, which has come forward en masse for this purpose" (to break the strike).

The Massacre at Canton.

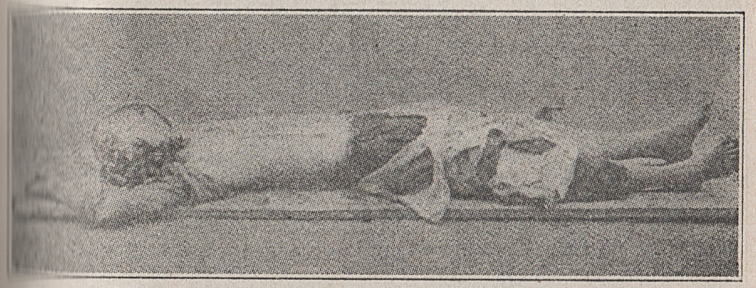
In Hankow, Kiukiang, Chinchiang, and Canton brutal massacres took place, the victims being in all cases exclusively Chinese. In the three first-named cities, the British were alone responsible for the murders. The French shared in the responsibility of the most brutal affair, that at Canton.

The island of Shameen, on which both the British and French concessions are located (forcibly acquired from China), is separated from the Chinese city of Canton by a canal only 80 feet wide. Following the declaration of a general strike of sympathy for the Shanghai victims of the foreign massacre, a parade took place on June 23 in Canton. The demonstrators comprised workmen, students, merchants, and cadets. While the procession was marching past the island on the Chinese street running parallel, British marines without a word of warning opened a sweeping rifle and machine gun fire on the unarmed sections of the crowd. More than a hundred Chinese, including many bystanders were killed or injured. A number were boy and girl students. Members of the staff and student body of the American-controlled Canton Christian College were among the slain.

Not content with having deliberately planned this slaughter in advance in order to intimidate the Chinese, the English command arranged to have soft-nosed or "dum-dum" bullets fed into the guns so that great, gaping wounds were torn in those

VICTIMS OF THE SHAMEEN MASSACRE

Brain shot away by rifle fire



More than a hundred killed and injured

VICTIMS OF THE SHAMEEN MASSACRE

They Died That China Might Be Free

His Battle Is Being Taken Up by Millions of His Comrades

KONG NAAM

a Chinese seaman, with his mouth, face, nose and lips shot away. His teeth were completely torn out. He was one of the victims of the Shameen massacre.

struck. Such ammunition is specifically debarred in "civilized" warfare but what are all such regulations but hypocritical phrases to delude the masses until the ruling class considers it necessary to "put the fear of God" into them?

Soviet Union Only Nation to Protest.

The Central government at Peking had protested the massacre to the consuls of the Powers involved. Thereupon M. Karakhan, Soviet ambassador to China, in the name of the entire diplomatic corps of which he was dean, sent a message of sympathy to the Chinese government and a note of protest against the killings to the Students Union of Shanghai. His action was promptly repudiated by the ministers of the other Powers. What did they care about the murder of a few hundred Chinese? But they were soon to learn to care!

From this time on a period of comparative inaction ensued by the nations concerned, so far as drastic and direct intervention on a large scale was concerned. Marines continued to be landed, however, and warships rushed to various disturbed centers. The Powers dared take no decisive action because of the widespread and dangerous intensity of feeling aroused among the Chinese and because the governments could not count with certainty upon the support of their own people in case such steps were taken. Outside of the Soviet Union, the Powers were torn by mutual distrust, jealousies, and conflicting political and financial ambitions. At every opportunity the Workers' and Peasants' Government of Russia expressed its open and complete sympathy with the Chinese masses, winning their friendship and by these very tactics arousing the

bitterest hatred and fear on the part of the British imperialists in particular.

A Difficult Struggle.

At the commencement of the general strike and for some time after, it had commanded the unanimous support of all classes of Chinese. This did not last long, however, for soon a portion of the big bourgeoisie in the Shanghai chamber of commerce took a stand for an agreement with the imperialists, fearing the spread of the movement and apprehensive lest it take on a generally anti-capitalist attitude. While the petty bourgeoisie generally stood by the strikers, their support at times wavered and a section of them in the Kuo Min Tang with a pro-Japanese tendency even urged a "reconciliation" with the Japanese in order to concentrate the fight against the British.

The imperialists, too, had effective means of striking back. They control the news services which supply the entire Chinese press and the papers outside of China. In their employment are the numerous "compradores" (Chinese representatives of foreign business concerns) and the army of overseers and foremen who conduct the foreign-managed establishments and many of the native-owned in that country. Chang Tso Lin, the pro-Japanese military dictator of Manchuria, took advantage of the situation to despatch troops to Shanghai for the purpose of "protecting the interests of the nation." This he accomplished by closing the union halls, forbidding public meetings, murdering strikers, and generally aiding the imperialists to the best of his ability.

Besides these difficulties, there were those arising from the working class groups which comprised the bulk of the strikers. These consisted of the textile workers, the porters, and the seamen. Most of the textile workers were women and children, none of whom had been organized prior to last year. The porters included many unrestrained elements which easily succumbed to the provocation of yellow agents. The seamen, of course, with the experience of the great strike of 1922, were the best disciplined of all and very effective fighters.

Altho the workers' ranks remained unbroken, the confinement of the strike to Shanghai and Hongkong, despite isolated outbreaks in other cities that were harshly suppressed by the imperialists and their Chinese hirelings and despite the nationwide sympathy it evoked, made it evident that the overthrow of the imperialists could not be accomplished with this weapon. Only an armed struggle of the whole Chinese people could accomplish this end. War alone would suffice to break the stranglehold of the imperialist Powers.

Sensing this crisis in the situation, the Shanghai labor council,—in the words of I. Geller of Moscow, whose analysis of the struggle as published in the International Press Correspondence we have largely followed,—"while retaining the general national slogans as battle cries for the coming national struggles, called upon all the forces of the nation to defend these demands and laid the responsibility for the further national struggle upon the Peking and Canton governments, but put forward as the main demands not national, but proletarian demands: recognition of the trade unions, increase in wages, a 60-hour week, one day's rest in seven,

reinstatement of all strikers, etc." As he states, this "opened up the possibility for maneuvering, for negotiations, and compromise."

The Strikers Win.

Last October a settlement was reached by the cotton mill workers in the Japanese factories where the trouble originally started. The strikers won the right of organization and the mill workers union was specifically recognized. Japanese foremen are no longer to carry guns with them in the factory under ordinary circumstances. The workers are protected against arbitrary discharges and assured of fair treatment. Wages are to be increased in the near future. When it is remembered that the overwhelming majority of these strikers were women and children organized for the first time last spring and that the foreign mill owners had behind them all the resources of their home governments while the workers had virtually nothing, this was indeed a most noteworthy victory.

The Seamen's Union also won its fight, having arrived at an agreement with the Japanese shipping companies under which all strikers were to be reinstated with full pay for the time they had been out. The question of increased wages was to be taken up thru special negotiations later.

The acute economic crisis in Japan, with the attendant political instability, compelled the Japanese firms to yield. Official Japanese figures revealed that 1,600,000, or a third of the industrial population of Japan was unemployed, a larger proportion than in England. Moreover the retention of the Chinese market is a life-and-death matter for Japan.

What the General Strike Accomplished.

Geller, in the article we have referred to, thus summarizes the results of the Shanghai general strike:

1. For the first time in the history of China, millions of the population were drawn into the National movement. In a few months a political work has been accomplished which under ordinary circumstances would have perhaps required years.

2. The working class, in spite of its limited numbers, in spite of its weak political and trade union organization, has obtained the hegemony of the National movement.

3. Under the pressure of the National movement a rapproachment has come about between the Peking and Canton governments, which have now "recognized" each other for the first time, exchanged delegations, and jointly taken over a mandate of the nation for the fight against imperialism.

4. In connection with the events in Shanghai, the Chinese people have become clear as to the role of Chang Tso Lin, as an instrument of imperialism, as an inner enemy who must be annihilated in the interest of the emancipation and uniting of China.

5. The growth of the consciousness and organization of the working class, before all, in Shanghai itself where a third of the entire industrial proletariat of China is concentrated. The membership of the Communist Party of China has doubled during the strike. The trade unions show an even greater growth.

International Newsreel

STRIKE PICKETS ON THE MARCH

These strike pickets are shown marching thru the streets of Canton during the General Strike. Note the last two figures particularly. The Hindus and other Asiatic nationalities showed their solidarity with their Chinese comrades in the common struggle against imperialism.

(B) Demands of the Chinese and the Shanghai Investigations.

The demands of the Chinese against the treaty Powers may be put into two categories: those arising immediately out of the Shanghai massacres and those which spring from abuses connected with the special rights of foreigners in China and from infringements on Chinese sovereignty. The latter group we have already dealt with.

A number of demands were drawn up by the workers and students of Shanghai shortly after the Nanking Road shootings and presented to the diplomatic corps thru the medium of the Chinese Chamber of Commerce (which a short time later withdrew from the strike agitation) in behalf of the Amalgamated Union of Commerce, Labor, and Education which was then directing the strike. This Amalgamated Union represented in turn the General Labor Union of Shanghai (Shanghai General Chamber of Workers—the real labor unions), the Chinese National Students Union, the Shanghai Students Union, and the Federated Street Unions (Union of all Shanghai Concession Streets Merchants), composed of 10,000 shopkeepers of the city arranged by streets.

Release Arrested Chinese.

The first demand was that those Chinese arrested for the demonstrations should be released and sentences already given should be suspended. Schools seized and occupied by the marines should be restored to their rightful owners. American sailors, on their officers' pretext that certain Chinese schools had become "breeding places of Bolshevism" invaded several of the universities of

Shanghai, ransacked the buildings, and turned the students and faculty out onto the streets while the marines themselves occupied the quarters. A more high-handed procedure would be hard to imagine tho one thoroly in accord with the traditions of the army official staff which understands that a standing army under a capitalist government is expressly meant to hold down the workers.

The next demand was for indemnities for the families of those injured or slain, and punishment for their murderers, as well as a public apology. Needless to state that here they were following the example of the foreign Powers which had always made such a demand upon the injury of any of their nationals at the hands of the Chinese.

All strikers were to be reinstated in their jobs without wage reductions or fines. Workers not wishing to return to their positions should not have their wages withheld for the time on strike. There were demands for the freedom of speech, press, and assemblage for the Chinese residents of the foreign settlements and for an equal division of voting power in the Shanghai municipal council between the natives and foreigners. The Chinese actually owning land should have the right to vote.

Other demands dealt with the return to China of roads arbitrarily built into its territory, the cancellation of additional wharf duties, the dismissal of the British secretary of the municipal council who was held largely responsible for the arbitrary acts of the local administration, the termination of the state of siege (martial law), and a provision that the council should not have the right to suppress publications.

Consular Investigation Forced.

These demands were refused peremptorily by the Shanghai authorities. The wave of Chinese indignation at this farcical proceeding was so menacing, however, that the consuls at Peking hastened to appoint an investigating committee of their own. This body formulated a report in which the British were blamed for the troubles in Shanghai. The resignation of the British members of the municipal council were demanded as well as that of Stirling Fessenden, the acting American chairman, and the dismissal and punishment of the English chief of police. The resignation of the entire council was demanded in case this decision was not carried out.

No sooner was the report in definite form than the British consul at Shanghai cabled to Austen Chamberlain, Great Britain's minister of foreign affairs, demanding its suppression. A special cabinet meeting in London decided to make such an order but before the decision could be cabled the complete document was published simultaneously in Paris and Tokio. This coincidence disclosed a common understanding between France and Japan for checkmating England. The British at once charged that the French and Italian consuls had secured the adoption of the investigating commission's recommendations in order to injure the prestige of Great Britain in China and to raise that of their own nations.

Scheme to "Whitewash" the British.

Early last August, coincident with the statement by Austen Chamberlain to the British Parliament that the Empire was opposed to the conference on the Chinese customs and extra-territoriality

proposed by President Coolidge, came the word from Washington that Great Britain would participate and the announcement that a new "investigation" was to be made of the Shanghai massacre. A month later, on September 6, a Tokio despatch declared that "America, Japan, and Great Britain have agreed to send judicial authorities from Manila, Tokio, and Hongkong immediately to open a judicial inquiry into the responsibility for the Shanghai riots." These representatives did later arrive in Shanghai but their inquiry was boycotted by the Chinese. They had no confidence in such an inquiry in view of the British hypocrisy in the previous investigation and believed the scheme was merely one to absolve the British of the major responsibility.

The correctness of their opinion is hardly disputable. The American press shut up like a clam on the entire proceedings of the consular investigation, an extremely heavy and very sudden pressure having quite evidently been applied,—not at all surprising in view of the interlocking financial interests of the two Anglo-Saxon nations. The only newspaper in the United States to give full publicity to the matter was the Daily Worker of Chicago, the official organ of the Workers (Communist) Party of America.

Was a bargain struck between the United States and Great Britain whereby the latter would approve the conferences on Chinese customs and extra-territoriality provided the former would take part in a new investigation designed by the British to clear them of the responsibility for the Shanghai massacres? All the evidence indicates that this actually took place, tho not, of course, committed

to paper. The slimy trail of capitalist diplomacy seldom leaves such traces, even if the abolition of secret diplomacy was one of the glittering promises made to the peoples of the world during the last war.

Judicial Hokus-Pokus.

The inquiry, however, took place without participation by the Chinese. According to the secretary of the judicial commission, the report, together with the decision as to responsibility, was handed to the American, British, and Japanese consuls at Shanghai for transmission to the diplomatic corps at Peking the first week in November. A month and a half later, on December 23rd, the latter body released the matter for publication. What had happened to the report during those six weeks? It is probable that it would never have been made public at all except for the danger to the Powers of still further embittering the Chinese.

What did this "investigation" discover? The British and Japanese judges generally agreed in exonerating the Shanghai authorities,—in other words, in "whitewashing" their fellow-exploiters. The American judge, however, accurately reflecting the Chinese policy of the United States, found that the British chief of police was negligent in the way that he handled conditions. As revealed in the negotiations over the Chinese situation the past summer, the American department of state has at all times been ready to doublecross its chief rivals in the Orient, as they in turn were ready to doublecross each other. Such duplicity is characteristic of capitalist diplomacy. It cannot change its methods any more than the leopard can change its spots.

To Buy Their Way Out.

The Shanghai municipal council, realizing that the report of the majority of the judges would but add fuel to the already dangerous situation, tried to soften the decision by transmitting $75,000 in the local currency of the city to the Chinese commissioner of foreign affairs at Peking for distribution under his direction to the wounded Chinese and the relatives of those killed. In gold, this sum amounted to only about $40,000. A hypocritical statement accompanying the note explained that the payment was "voluntary" and "a mark of sympathy" for those injured. The check was, however, immediately returned by the minister, who renewed the Chinese demand for an indemnity of $2,000,000 and the return of the mixed court to Chinese control.

The council also announced that "notwithstanding the fact that the findings of the majority of the judges exonerate the police," it would "accept the resignations" of police chief McEuen and inspector Everson, the two officials involved. The newspaper despatch announcing this decision declared that it was "unofficially reported that McEuan's salary will continue for life and that he will receive 61,000 taels (about $35,000) as an old age allowance." Remembering how the British so richly rewarded General Dwyer, the butcher of Amritsar for murdering hundreds of unarmed Hindus a few years ago, there is every reason to believe the "unofficial" report is correct. Thus are the murderers of the working class and the oppressed colonial peoples rewarded by the capitalists!

"Sun Yat Sen will go down in history as the greatest figure of a leader of the national revolutionary movements of the East in the first quarter of the twentieth century. He was neither a Communist nor a Marxist. His program—'nationalism, democracy, socialism'—bore all the signs of the backwardness of the social conditions of China. He tentatively sought his way, but he hated with a righteous hate the imperialists who had subjugated his native country. He devoted his life fully and entirely to his people, and what is more important, in the last years of his life he perceived more and more clearly that the suppressed peoples can only emancipate themselves and create the pre-conditions for a new life in close alliance with the world proletariat. . . .

"The advanced workers of all countries who belong to the Communist International will revere the memory of Sun Yat Sen as one of the greatest representatives of that movement of the suppressed nationalities which is marching side by side with the advanced sections of the world proletariat to the fight against imperialism. 'The place of the bourgeoisie, which is decomposing while it still lives, will be taken by the proletariat of the European countries and by the young democracy of the Asiatic countries which is filled with belief in its own powers and trust in the masses'. These words which Lenin wrote a year before the outbreak of the imperialist World-War are of special import at the present time, when the proletarian dictatorship in the Soviet Union is now in its eighth year (1925) and when the great national liberation movement thruout the whole East is ripening so rapidly. The difference between Chamberlain and Ebert is considerably less than the difference between Ebert and Sun Yat Sen. The Eberts are the allies of the world bourgeoisie, the Sun Yat Sens the allies of the world proletariat. There can be no doubt that the final victory belongs to the world proletariat and to the armies of the national revolutionary movements of the East which are marching forward to unite with it. This victory is no longer distant."
—Gregory Zinoviev, President of the Third International.

CHAPTER EIGHT.

THE KUO MIN TANG AND SUN YAT SEN.

The Kuo Min Tang is the political expression of the Chinese Nationalist movement. Its program (1925) calls for the revocation of all leases to territory extorted from China by force or fraud; the repeal of the "unequal" treaties, i. e., those which recognize the right of extra-territoriality and customs control; the abolition of the tuchuns (military governors); the reduction of the armed forces which now aggregate 1,500,000 by returning the soldiers to peacetime occupations; and formulation of a democratic constitution with a government based on it, the authority of which shall be acknowledged thruout the country. For putting this program into effect, a national assembly is to be summoned in which representation is provided for all classes, tho naturally the overwhelming majority would be peasants and industrial workers.

Just as the labor movement of China developed with its industrialization, so the Kuo Min Tang rose and has grown from the same cause. As soon as a hitherto backward country from the capitalist standpoint begins to build up modern industries of its own a native bourgeoisie develops which naturally seeks to use the state to rid itself of foreign competition in the internal market. The struggle over the tariff in the United States was just such an effort of the rising capitalist class of America to obtain a stranglehold on the natural resources of the nation and to secure thru its domination of the

government discriminatory customs rates which would enable its members to monopolize the domestic market for themselves.

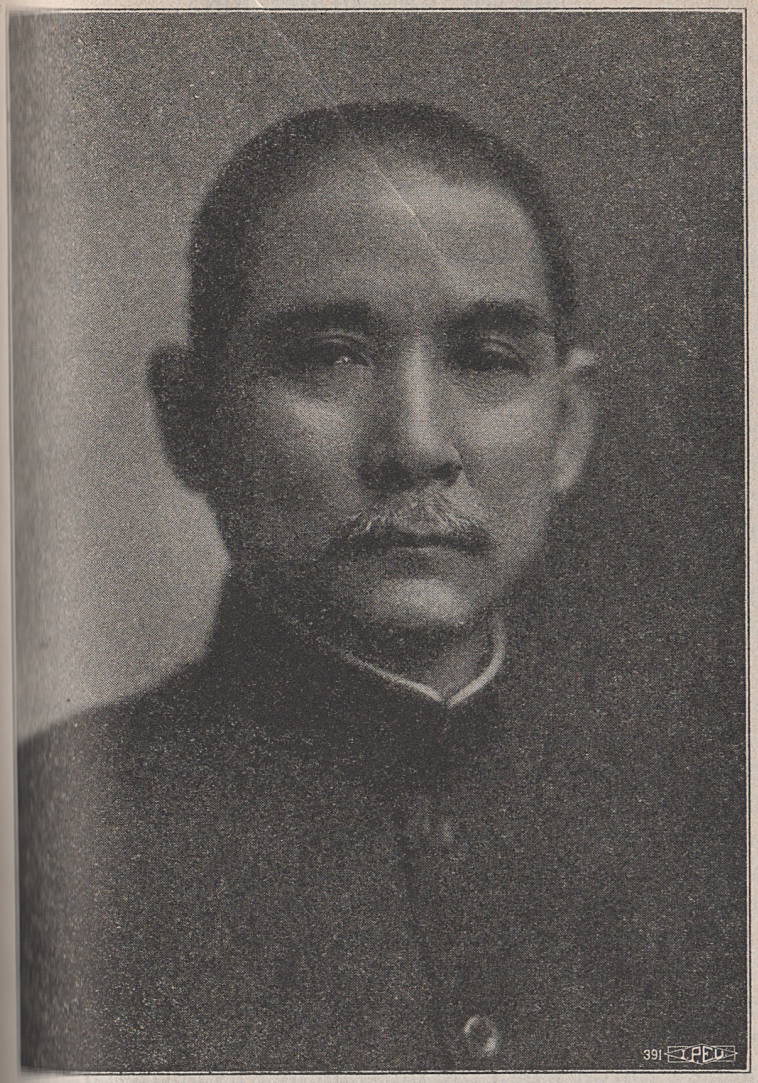
An "Efficient" Government Necessary to Capitalism.

A writer in one of the Chinese monthlies remarks in the course of a discussion on the industrialization of his country that "modern methods of production cannot dispense with efficient government." The rising capitalist class of China wants a national government which will be independent of foreign control and strong enough in its internal administration to create political conditions favorable to the development of private trading and to the building up of industry and finance on the model of that which prevails in Europe, America, and Japan. For these reasons a split within the Kuo Min Tang over the question as to whether its policy should be pro-labor or anti-labor was inevitable as soon as the tension between the two growing divisions became severe. That conflict broke out at the reorganization congress of the party in February, 1924, and resulted in a decisive victory for the more radical wing. This struggle is taken up more in detail in discussing the influence of Sun Yat Sen.

Sun Yat Sen, Founder of the Kuo Min Tang.

The founder of the Kuo Min Tang and its unquestioned leader thruout his life was Dr. Sun Yat Sen. The story of his fight for the emancipation of his people from the tyrannical rule of the decadent Manchu dynasty and then from the yoke of foreign oppression is one of the most thrilling stories in all revolutionary literature.

Sun Yat Sen was born in 1867 in a little village



SUN YAT SEN.

The founder and during his life the recognized leader of the Chinese Nationalist Movement, his memory is venerated by the workers and peasants of China. His last wish before his death was to be buried "beside his great friend, Lenin."

in Kwangtung province. His parents were poor peasants. He studied medicine in Canton and then in Hongkong at the British medical college from which he graduated as a surgeon, having the distinction of introducing western medical science to the Chinese. He joined the staff of a Chinese hospital in Macao, the Portuguese possession on the coast, and here became affiliated with a group of young students who were discontented with the inefficient, corrupt, and autocratic rule of the Manchus. Soon his time was divided between his professional duties and political agitation. This work was carried on principally among the students and soldiers. His plan was to form them into secret revolutionary organizations aiming, first to overthrow the monarchy, and then to drive out the foreign Powers. The authorities finally forced him to leave on the technical ground of not having a Portuguese diploma.

In Revolutionary Canton.

From Macao he went to Canton which became the center of the revolutionary movement. Here with eighteen others he founded the society which later was known as the Young China party. Its object was to replace the Empire with a republic like that of the United States. In a few years he was the only one of the group who had not been discovered, caught, and executed.

The overwhelming defeat of China by Japan in 1895 seemed a propitious moment for starting the revolution. Rebels were already on the march to seize Canton when the movement was betrayed. Its forces were quickly dispersed and those captured were summarily executed. The doctor escaped to Macao where he remained in hiding for a short time.

Years of Exile Abroad.

This defeat marked the beginning of a period of exile covering many years during which he visited Japan, the United States, and Europe. He thot that the Chinese living abroad would have an interest in democratizing their native land and hoped to establish revolutionary centers in the groups which he met. He lived in California for several years. During his visit to England he was captured by emissaries of the Chinese minister to that country thru a trick. The intervention of his old-time English teacher saved him from being sent home in chains to meet a terrible death. After traveling in various other European countries he returned secretly by way of the Malay Archipelago to Hongkong where he remained in hiding. He afterwards stated that the Chinese he had visited abroad generally regarded him as a traitor and that he had found few followers during those years.

In 1900 he headed a second insurrection in Canton. Again defeated, he undertook another propaganda journey but in contrast to the lack of interest and the coldness which had greeted him on the first —this time his countrymen abroad met him with enthusiasm and cordiality. Revolutionary groups were established in Brussels, Belgium, with a membership of thirty; at Berlin, with a membership of twenty; and at Paris, with a membership of ten. From beginnings so small as these grew the mighty movement which was to sweep the emperor from his throne and eventually the imperialist Powers from their control of China. In Japan his followers were numbered by the hundreds and in all the provinces of his native land secret groups were established. Under his leadership the various revolutionary elements

were united into the Tung-meng Hui, or "Alliance Society." He then organized insurrections in Central China as well as in the South, all of which failed. An enormous price was placed on his head and he was forbidden to land in China or any of the foreign settlements of eastern Asia, or in Japan. This forced him to spend many years in the United States and Europe in exile, working underground.

Elected Provisional President of China.

After fifteen years of this most perilous and adventurous life he finally returned to his native land at the outbreak of the revolution which late in 1911 proclaimed the establishment of the republic.

At this time there were no clearly defined classes in China. The economically enslaved peasants and the poor workers of the towns, as well as the politically unenfranchised merchants, all joined in the movement to overthrow the hated dynasty which was considered to be wholly under foreign control. The Revolution achieved a quick victory, many of the monarchists themselves joining its forces when they saw the futility of further resistance.

On January 1, 1912, Sun Yat Sen was elected as the first Provisional President of China. After two months in that position he resigned in favor of Yuan Shi Kai, who had the support of the powerful northern militarists and who was personally ambitious to become Chief Executive. Sun believed that this step would unify the nation by preventing the threatening civil war between the North and the South and that it would also prevent the restoration of the Manchus. His trust in Yuan Shi Kai was, however, entirely misplaced. No sooner was the

latter given the position than he began scheming to make himself the head of a new dynasty.

Tung-meng Hui Reorganized.

On March 3, 1912, the Tung-meng Hui was reorganized as a political party. Sun Yat Sen was chosen its National Director. The objects of the organization were stated to be: the consolidation of the Republic and the diffusion of democratic ideas. Its political program advocated the centralization of national power, together with the development of local self-government; the fusion of the five population elements, i. e., the wiping out of the Confucian division of society into the classifications in the order of their merit of scholars, farmers, mechanics, tradesmen, and soldiers, tho the latter were really ranked as having no social standing at all; state socialism, sex equality, obligatory military service, reforms of taxation and public finance, national equality (against extra-territoriality), development of natural resources, for agricultural and colonizing enterprises, and for responsible cabinet government.

A few months later, on August 23, 1912, the Tung-meng Hui was amalgamated with five other political groups of varying size and importance and to the combination the name Kuo Min Tang (National Party) was given. The objects of the organization thus formed were to achieve the union of North and South, to demand local self-government, to maintain satisfactory relations with foreign governments, and to work for the adoption of socialistic principles in China. The reorganized party soon grew to enormous proportions. Place-seekers of all kinds, high officials of the former Emperor, unscru-

pulous politicians, all became zealous overnight converts to the new order.

Yuan Shi Kai Murders the Republican Leaders.

Overriding the will of the National Assembly, Yuan Shi Kai in 1913 secured from the Great Powers a large loan, ostensibly for the internal development of the country. In reality it was used to suppress his republican opponents. The very trouble Sun Yat Sen had hoped to avoid broke out. Yuan Shi Kai murdered his political adversaries wholesale in approved Fascist style. Sun Yat Sen led the same year a revolt against the dictator but it failed and again he was an exile, with his party declared illegal. During this period he reached an agreement with certain reformist leaders of the organization who did not wish a sharply-defined program of the party's objectives nor a strongly disciplined group. They formed another party which was termed the "Revolutionary Party of China."

Sun Yat Sen Turns to the Peasants and Workers.

In 1915 he organized a second revolution against Yuan Shi Kai. Civil war again raged in China. Yuan Shi Kai died suddenly in 1916 shortly after proclaiming himself Emperor. Tuan Chi Jui, an old Chinese politician of pro-Japanese leanings, became the real political head of the country. In order to crystallize the opposition and to consolidate the republican forces, Sun Yat Sen formed a South China government. He was elected its first President. He now began to realize that the chief support for his movement must come from the oppressed masses, the city workers and peasants. Accordingly he gave his utmost support to the seamen in

their great strike at Hongkong in 1922. In retaliation the British induced General Chen Gang Ming, one of his former generals, to revolt. Sun Yat Sen again had to flee. A year later he was back in control of Canton.

Left Wing of Kuo Min Tang Wins.

In February, 1924, a national congress of the revolutionary party was held in Canton at which the old name, Kuo Min Tang, was resumed. A bitter struggle took place between the Right wing, representing the conservative, purely Nationalist elements and the Left wing, headed by the Communist Party, over the reorganization of the party. The conservatives wanted the party to remain a loosely-knit organization without a sharply-defined program and including various groups whose economic aims were as opposed as those of the workers and the industrialists. The Communists and their sympathizers, on the other hand, desired to build up a closely-knit party which basing itself on the masses should carry on a militant campaign against imperialism and for labor and peasant organization. Sun Yat Sen, who had now become greatly influenced by the policies of the Soviet Government and the objects and methods of the Communist International as he had learned of them from contact with A. Joffe, Soviet representative in China, whom he had met in Shanghai in 1923, and other Communists, cast in his lot with the radicals. The result was that the Left wing won a decisive victory. The defeated group since then has drifted out of the party and will furnish a natural neucleus for an anti-labor Nationalist movement.

The already great influence of the Russian Bol-

shevik revolution upon the Chinese masses was evidenced in the adjournment of the Congress for two days as a demonstration of their grief over the death of Lenin.

In the reorganization Sun Yat Sen took the Russian Communist Party, with its rigid discipline, as his model. "The only aim of the old members (of the Chinese party)", he declared, "is to get rich and to obtain posts as high officials. They are not true revolutionaries. The workers and peasants alone are the real forces of revolution." The slogan of "A Workers and Peasants Government" was adopted and the alliance of these two elements recognized as the motive power of the revolution. The Left wing of the party carries on an intensive propaganda for the immediate abrogation of all treaties granting special privileges to foreigners and is credited by Dr. S. Washio, of the Trans-Pacific staff, with "an ineradicable influence on the restless spirit of the Chinese." He ascribes its strength to the fact that its adherents are "Communists by conviction."

Manifesto Shows Party Aims.

Upon its conclusion the Congress issued a manifesto to the Chinese people summarizing the aims and policies of the Kuo Min Tang. The following passages show its position upon the questions of nationalism, democracy, and State socialism: "Kuo Min Tang cannot but devote its every effort to continuing the struggle for the emancipation of the Chinese people from the double yoke, while leaning for support on the wide masses of the peasantry, the workers, and intellectuals and the middle trading class. For each of these classes nationalism means the abolition of the yoke of foreign capital-

ism. While for the trading and industrial classes nationalism means escape from the foreign economic yoke, which is preventing the development of the economic forces of the country, for the toiling classes nationalism means escape from the agents of imperialism—the militarists and capitalists, both foreign and national, who are greedily exploiting their vital needs. For the masses of the population the whole duty in the fight for national emancipation lies in anti-militarism.

"The Party of Kuo Min Tang proves that where imperialism has been weakened as a result of the national struggle, the masses secure a better opportunity of developing and strengthening their organizations for the future struggle. Kuo Min Tang shows that its principle of nationalism implies a healthy anti-imperialist movement. For this purpose it must lend every effort to support the organizations of the masses of the population, thereby setting free the national energies. Only in the intimate contact between Kuo Min Tang and the masses of China lies the pledge of the future national independence of the country."

"Under the conditions of contemporary society, so-called democracy becomes transformed into a system and machine for the oppression of the population by the bourgeoisie. The democracy of Kuo Min Tang is the government of the people by the whole people, and not merely by a minority. The democracy of Kuo Min Tang is to be regarded not from the point of view of the national rights of men but as a principle corresponding with the revolutionary needs of China at the present moment. Power belongs only to the citizens of the Republic, and it is obvious that power must not be given to

the enemies of the Revolution. In other words, while those members of the population and those organizations which support the real struggle against imperialism enjoy every right and freedom, such freedom is in no case given to elements and organizations in China which are assisting the foreign imperialists or their agents, the Chinese militarists."

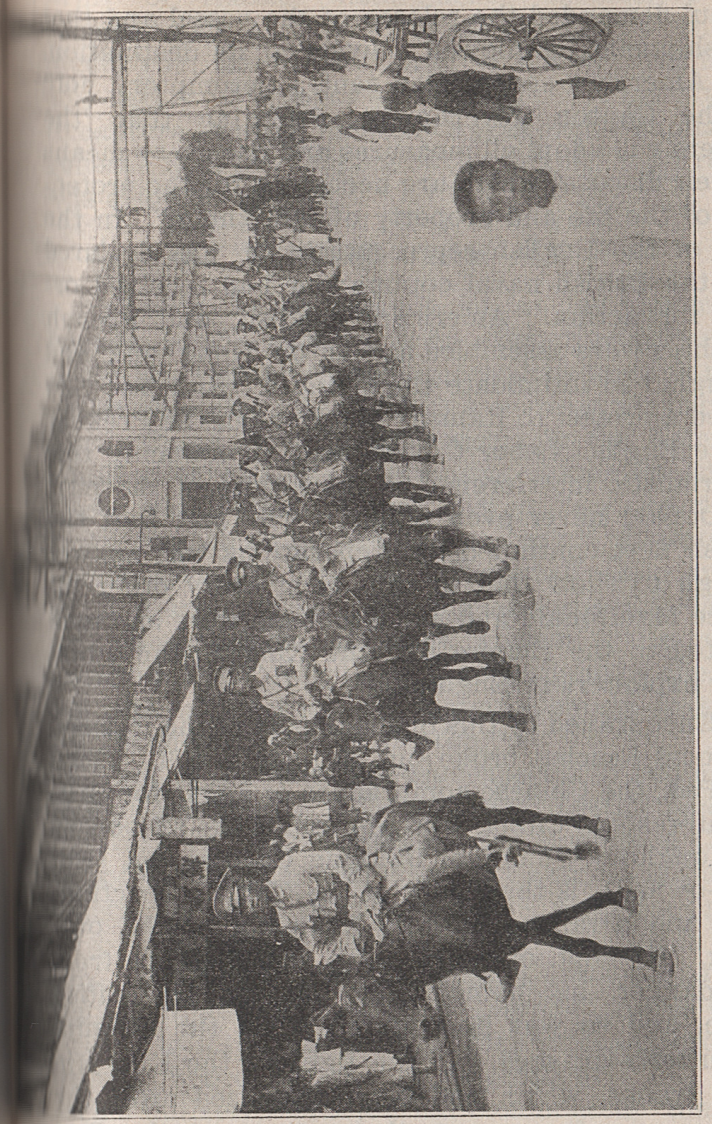
"As regards the foreign loans concluded by China, such loans must be secured and redeemed in accordance with the capacity of the country to pay, without undermining at the same time its economic and political stability.

"Loans concluded by irresponsible governments, such as the one which has at present seized the national government in Peking, loans which serve not to improve the well-being of the country but to support and prolong militarist tyranny, or are used for bribery and private gain, will not be paid by the Chinese people.

"All powers and persons concerned who advance such loans are hereby warned of the risk they are running."

Defeat Canton Fascisti.

Following the defeat of the Right wing in the Kuo Min Tang, the "Volunteer Corps," which had been organized by the merchants of Canton for the ostensible purpose of protecting their property, became very active. Their real object was to overthrow the pro-labor city administration of the Sun Yat Sen supporters. Foreign capitalists supplied these forces with money and weapons. When the authorities confiscated a shipment of arms which the merchants were trying to smuggle in, the mer-



International Newsreel

CANTON "RED" ARMY CAVALRY PATROL

Since the Second National Congress of the Kuo Min Tang these troops have been trained on the Soviet model. They furnish the indispensable force which prevents the foreign imperialists from taking summary measures to crush out the nationalist movement in southern China.

chants replied by closing up their shops. The British consul demanded the release of the vessel and that the shipment be allowed delivery at its destination. The American consul also sent a peremptory note to the Canton government, declaring that 'the Powers will adopt all measures and use every means at their disposal which are necessary for the protection of the life and property of foreigners." In the note of the English representative it was declared that the British naval commander had received orders for action. American, English, and French warships were assembled at Canton, Hongkong, and Shanghai to intimidate the Chinese. Sun Yat Sen cabled a protest to Ramsay MacDonald, the Premier of the English Labor Government, denouncing this imperialistic interference in the affairs of the city. MacDonald never even replied. The fact that the British fleet continued its preparations was answer enough to show that in this as in every other instance MacDonald and his associates were as much devoted to the Empire and the King as the worst labor exploiters in England.

Encouraged by this open support of the Powers, the local Fascisti broke out in open revolt. Chen Lim Pak, the Chinese compradore or agent for British interests in China, who represents the all-powerful Hongkong-Shanghai Banking Corporation (English-owned), is the leader of the Chinese reactionaries and arranged for the financing of the outbreak. He kept, of course, at a safe distance from any danger, his home being guarded by British police, and so was not injured when the attempt was utterly crushed. In the fighting the Kuo Min Tang troops, which had been organized after the February conference on the pattern of the Red

Army of Russia, distinguished themselves and proved anew the correctness of the Communist theory that the armed might of the workers is the sole safety of a labor government. A later effort to capture Canton, made by a traitorous Yunnanese general, with the backing of the English and French, was also defeated.

The "Bolshevik Capital of China."

Canton in the hands of an administration friendly to the workers is an ever-growing menace to the plans of the foreign imperialists and the rising native capitalist class. Thus a correspondent of the North China Daily News, writing in the Kolnische Zeitung of Cologne, Germany, characterized the "Red" domination of that city as "an experiment which the whole of Asia is watching." Its international aspect, he explains, is "crystallized in an embittered struggle between England and Russia, the outcome of which cannot be foreseen." He boasts, however, that "everything is being done by the British with intellectual and material means to starve out Bolshevist ideas in Canton."

Nor is the native bourgeoisie much behind the foreign traders in their demands for the blood of the workers. Last September the Hongkong Chamber of Commerce, composed of Chinese merchants, together with 24 merchant guilds, cabled a protest all over the world against the "Red" rule in Canton. The Mercury of Shanghai, a newspaper representing English and Japanese interests, urged Great Britain to intervene with military forces in order to overthrow the Canton city government. ". . . it seems unlikely," this journal commented, "that any anti-Red body at Canton at the present moment

would be capable of ousting the Bolshevist regime without outside assistance. By accepting the challenge of Bolshevism," the paper continued, "the British would be rendering a singular service to the people of Canton."

If murdering the workers wholesale in order to continue the bloody rule of foreign capital is a service, it is, indeed, a "singular" one in a sense quite opposite to that intended by the above comment.

Sun Yat Sen Continues Struggle.

Sun Yat Sen, even during the critical days at Canton, continued his struggle against imperialism by attempting to utilize the conflicts between the military chiefs in China thru allying himself and his followers with those which seemed the less dangerous to the country. Thus he organized the "anti-Tschili bloc" in cooperation with Tuan Chi Jui, whom he had been opposing and with Chang Tso Lin, whom he knew was pro-Japanese, in order to defeat Wu Pei Fu, the tool of Anglo-Saxon imperialism and the bitter enemy of the Chinese working class. Upon the elimination of Wu Pei Fu in the civil war of 1924, the forces of Sun Yat Sen and of Chang Tso Lin were brought face to face, with Tuan Chi Jui as the puppet in the President's chair, and a new military chief Feng, in control of Peking and the northwestern provinces.

Sun Yat Sen urged the calling of a general constituent assembly in order to establish a basis on which all Chinese could be united. Tuan Chi Jui proposed a "reconstruction conference" selected on a basis which he would dictate and with a personnel he could control. The Japanese, whose influence was now dominant thru the defeat of Wu

Pei Fu, called Sun Yat Sen's ideas illusions and supported Tuan Chi Jui with loans. The latter induced general Chen Gang Ming, the same renegade who had previously revolted and captured Canton, to attack that city again, believing that the serious illness of Sun Yat Sen favored the scheme. The attack was repulsed.

Sun Yat Sen's Death.

Sun Yat Sen's illness, however, was incurable. On March 11 he died of an inoperable cancer, a curious irony of fate for it was he who had introduced modern surgery to China. It is tragic that he passed away just at the time when his life work was stirring into action the hundreds of millions of workers and peasants for whom he had so freely sacrificed himself.

The high regard which Sun Yat Sen had for the leaders of the Bolshevik revolution in Russia dated from his meeting Joffe in Shanghai in 1923. It was Sun Yat Sen's last request, as he lay on his death-bed, that he might be buried "besides his great friend, Lenin" whom he had met personally on a visit to Moscow several years before.

The Kuo Min Tang and the Soviet Government.

The friendly relations existing between the Kuo Min Tang and the Union of Socialist Soviet Republics is most significant. It is voiced in the public statement of the National Executive Committee of the Kuo Min Tang, issued May 21, 1925. The paragraphs referring to Russia are as follows:

"As to the nations which treat us on the footing of equality, we declare, as we

have stated in our manifesto on the Sino-Russian agreement, that only Soviet Russia deserves the name of an equal partner."

And further on:

"This party (Kuo Min Tang) should, therefore, continue hand in hand with the Soviet Republics to struggle against imperialism for the realization of the national revolutionary movement."

Sun Yat Sen's Last Message to Russia.

The tremendously growing influence of the Soviet Republic and its policies upon the Chinese is embodied in the message which Sun Yat Sen wrote to the Soviet Government when he knew he was on his deathbed. The letter reads:

"Dear comrades:

"Here on my deathbed my thoughts turn to you, as well as to the future destiny of my party and of my country.

"You are the head of the Union of Free Republics, that heritage which the immortal Lenin has left to all suppressed peoples of the world. By means of this heritage the victims of imperialism will inevitably win their emancipation from that social order which has always been based upon slavery, war and injustice.

"I leave behind me a party which, as I always hoped, will be allied with you in its historical task of liberating China and other suppressed peoples from the yoke of imperialism.

"My charge to the Kuomintang party before all is that it shall continue to promote the cause of

the national revolutionary movement for the emancipation of China, which has been degraded by imperialism into a semi-colonial country. I therefore charge my party to maintain permanent contact with you.

"I cherish the firm belief that your support of my country will remain unaltered.

"In taking my last leave of you, dear comrades, I express the hope that the day is approaching when the Soviet Union will greet in a free and strong China its friend and ally, and that the two states will proceed hand in hand as allies in the great fight for the emancipation of the oppressed of the whole world.

"With brotherly greetings,

"Sun Yat Sen."

Second Kuo Min Tang Congress.

The Second National All-China Congress of the Kuo Min Tang was held in Canton beginning January 1, 1926. This date marked also the fifteenth year of the formation of the Chinese republic and the anniversary of Dr. Sun Yat Sen's installation as President of the Provisional Government of the South (the Canton government).

The stand of the 1st Congress on the fundamental problems and tactics of the Nationalist movement was reaffirmed. The party membership was reported as over 500,000, with members in every part of the country and among emigrants in other lands. The strongest section was naturally that of Kwantung in which Canton is situated. In this province there were reported 997 branches with a membership of 48,000. The largest percent-

age of the members are peasants, with the industrial workers coming next.

Economic Program.

The economic program of the Kuo Min Tang was summarized as follows:

(a) Emancipation from imperialist financial domination.
(b) Financial unification.
(c) Establishment of a budget.
(d) Abolition of heavy and vexatious taxes.
(e) Protection of native industry.
(f) Abolition of likin.
(g) Abolition of the system of tax-monopoly and the "farming out" of the collection of taxes.
(h) Equality of taxation for foreigners and natives.
(i) Organization of a revenue collecting control commission.
(j) Fixation of the number of revenue officers and decent salary for them to avoid extortion.
(k) Monetary reform to put the currency on a stable basis.
(l) A nationalist government loan of $10,000,000 for urgent public works, such as the building of Whampoa port, etc. . . .
(m) Customs autonomy.

For Aggressive Action.

The Congress affirmed the great importance of maintaining the Kuominchun (Nationalist) armies in the north for carrying on the war against Chang Tso Lin and Wu Pei Fu, both subsidized by foreign Powers, and against the Provisional Tuan Chi Jui

(pro-Japanese) central government. To these reactionary forces the Kuo Min Tang replied by repeating its demand for the convocation of a national conference, representing the entire people on a democratic basis, in accordance with the plan of Sun Yat Sen.

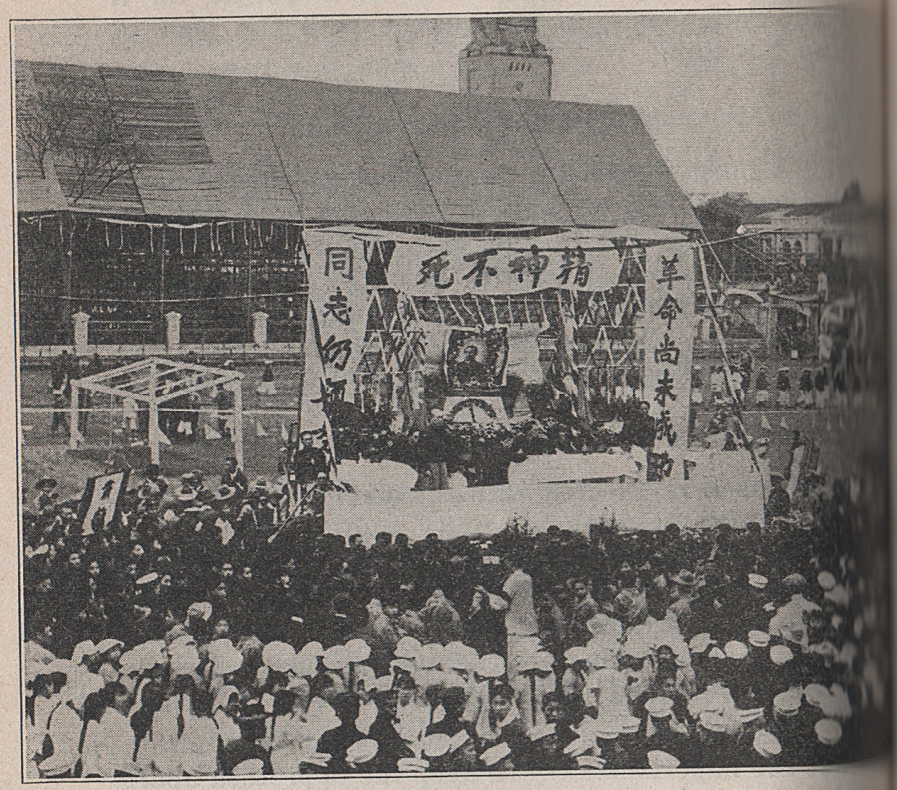
Soviet Demonstration.

A most significant demonstration ensued upon the presentation to the congress of a huge red silk streamer, the gift of the Third International. An inscription in gold letters upon the banner read: "Oppressed peoples of the world, unite to overthrow imperialism. Presented to the Second Kuo Min Tang Congress. From the Third International."

The International Union of Oppressed People.

Closely connected with the struggle of the Kuo Min Tang for national unity and reflecting the aspects of that conflict which concern all the other nationalities of the Far East is the "International Union of Oppressed Peoples." In fact this organization includes not only the subject races of Eastern Asia but those of Africa and America as well.

This Union had its inception in the recognition that the imperialists try to keep the oppressed apart by inflaming racial and national animosities, just as the employers use a similar tactic within a country to keep its working class divided. Thus the French rulers of Indo-China had incited the Annamites to boycott the Chinese and the Americans last year egged on the Filipinos to anti-Chinese demonstrations. To frustrate this scheme the Chinese, Hindus, Annamites, and Koreans formed



"P. & A. Ph

MEMORIAL SERVICES IN HONOR OF DR. SUN YAT S

Held at Kwangtung University, Kwangtung. The speaker is Dr. C. T. Wang, son of Wu Ting Fang, former Chinese Minister to the United States. A similar memorial was held simultaneously at the Canton Christian College at Canton.

a joint anti-imperialist committee of action, the precursor of the Union.

Last summer (1925) its first general conference took place at Canton. The response to its manifesto calling for a unity of the oppressed and exploited peoples of all countries in order to "set up together a united front against the oppressors" was so great that a second conference was held later during the year. At this gathering delegates were received from the following and the organizations affiliated: the Kuo Min Tang party, the Union for the Emancipation of Women, the Union of Revolutionary Women Telephone Operators, the National Trade Union Federation of China, the Peasants' Association of the Province of Kwangtung, the Association of Young Revolutionary Soldiers, the Cadets of the People's Army.

Thereupon the conference organized itself as the International Union of Oppressed Peoples. The constitution states its object as that of gathering together all the forces of the oppressed nationalities in order to carry thru the revolution necessary for their liberation. Members guilty of anti-revolutionary acts are to be punished severely besides being expelled from the Union. The organization plans to get in direct touch with the revolutionary Nationalist and labor associations of every other country in order to establish a world-wide united anti-imperialist front.

CHAPTER NINE.

THE COMMUNIST PARTY OF CHINA.

Altho founded only a few years ago, the Communist Party of China exerts a continually increasing and an important influence upon the workers of that country. Its propaganda is beginning to influence the peasants also, who, as has been stated, comprise the overwhelming majority of the population.

In accordance with the organizational unity of the Communist movement thruout the world, the Chinese party carries out a policy in harmony with that determined by its highest body, the Communist International. Accordingly it works with the Kuo Min Tang for the freedom of China from the yoke of foreign oppression and exploitation, at the same time pointing out the inadequacy of the purely Nationalist position from the standpoint of the fundamental needs of the workers and peasants. By thus linking itself with the mass movements of the Chinese it secures the opportunity to spread the philosophy of Communism under the most favorable conditions. Communists recognize, in accordance with Lenin's teachings, that common cause must be made by the militant industrial workers with the downtrodden subjects of the Great Powers in their colonies and with the exploited peoples of dominated nations, such as China.

As long ago as October 4, 1923, the Executive Committee of the Communist Party of China urged the convening of a national congress composed of

delegates from peasants' associations, the trade unions, students organizations, and similar groups for the purpose of 'drawing up the constitution, bringing together and uniting the people, and of appointing a new Chinese government." The Committee demanded a "government created by the peoples out of its own forces, a government arising out of the revolution." The manifesto pointed out that there must be a "united democratic front" and "a continuation of the revolution until victory is gained over the native imperialists and the imperialist Powers backing them up."

Tactics of the Chinese Party.

After the massacres at Shanghai last June, the Party again set forth its position in an address to the workers and peasants of China. The Manifesto illustrates the tactics used under such circumstances by the Communist parties. After reviewing the imperialist aspect of this affair the Party outlines the basis of its policy. "The movement which has arisen out of the strike in Shanghai must set itself wider aims than the punishment of the guilty and compensation for the victims; it must pursue not juridical, but political aims, before all the **annulment of the unjust treaties of the foreign Powers with China and the privileges for foreigners,** otherwise there will exist no guarantee for the security of the lives of the Chinese.

"The Communist Party has the following tasks:

"First, to convert the present movement into a **permanent process,** the aim of which will be the **abolition of foreign domination.**

"Secondly, to rally together all classes in China by their participation in the national revolution and by attracting the broadest masses of the people into the struggle.

"The Communist Party must warn the Chinese people against relying upon diplomatic negotiations and attempts at adjustment, and not to forget that the present Chinese government of Tuan She Sui (Tuan Chi Jui) is the tool of the imperialists, just as Chang Tso Lin is a paid agent of Japanese imperialism. A compromise is absolutely impossible. It is better to suffer a defeat than to make use of the enemy as a protector and mediator.

"The imperialists are endeavoring to split the movement by asserting that the movement proceeds from the Communists and the Soviet Union. If it be true that the Communists are the originators of the movement, the Chinese people ought to rally all the more to the Communists who represent the interests of the whole of the Chinese people. If it be true, that the Soviet Union is supporting the movement, this would only serve to prove that the Soviet Union is the sole friend of China. Unfortunately, the Soviet Union is unable to help China immediately to shake off the imperialist yoke.

"The events in Shanghai have shown that all sections of the Chinese people recognize the necessity of supporting the workers and peasants against imperialism. Hundreds and thousands of Chinese heroically faced the guns and rifles of the foreign imperialists which were aimed at them. In spite of Martial Law, in spite of threats and acts of violence, the whole population of Shanghai is unanimously supporting the strikers. The sacrifices will not be

in vain. The Chinese people will carry on the cause of liberation to a victorious end."

Exposing the Chinese Bourgeoisie.

The Party constantly drew the attention of the masses to the fact that as the struggle progressed the counter-revolutionary character of the Chinese bourgeoisie would become more and more apparent. This became evident to all in the efforts made by the native capitalists to restrict the area in which the boycott was to apply so that only Shanghai would be affected, and secondly, to restrict its application to the English police in that particular district. When the boycott and general strike movement continued to spread despite this opposition, the Chinese bourgeoisie utilized the native militarists so bitterly hated by the people in order to crush the rising labor movement. Chang Tso Lin, the brutal pro-Japanese dictator of Manchuria, attempted last August to suppress all unions and the Kuo Min Tang in Tientsin and the other provinces he then controlled, resorting for this purpose to a horrible massacre of the workers in that city. The nine textile mills in Tientsin, employing 20,000 operatives, principally women and children, are owned by Chang and his henchmen so the oppression of the workers is particularly ferocious there.

The dictator's wrath had been aroused by the manifesto of the Communist Party of China, issued a few weeks previously, calling for a war against Chang Tso Lin, "the tool of the Japanese and the betrayer of the people." This manifesto included the following demands:

"1. Abolition of the unequal treaties.

"2. Disarming of the military rulers who do not wish to fight against the imperialists.

"3. Guarantee of freedom of speech and press, and right of combination.

"4. Abolition of the unequal treatment of women in the judicial, political and economic sphere.

"5. Abolition of the Likien system and other taxes.

"6. Fixing of a maximum amount of landed property which can be held; any landowner possessing more than this quantity must give the same to the poor peasants and small holders; establishment of a maximum rent for land; abolition of the present custom of paying taxes on land several years in advance.

"Unrestricted freedom for trade unions, right of strike for the workers; establishment of a minimum wage according to prices of food; legislation for the protection of labor.

"8. The right of the workers and peasants to possess arms for their own defense.

"9. Deposit of a definite sum in a bank for educational purposes.

"10. Convocation of a real National Assembly."

Young Communist League of China.

In common with the Communist parties of other countries, that of China is arousing the youths of both sexes to an active participation in the labor struggle. The report to the Communist International submitted in the fall of 1924 showed a membership in the Young Communist League of China of approximately 3,000, mostly among the

students. The following sections of the report illustrate the League's field of activity.

"The Chinese comrades are now organizing clubs of the working youth, sport organizations, etc., in the industrial centers and are recruiting there amongst the working youth for the League. At the same time peasant leagues are being organized amongst the national revolutionary sections of the peasant youth.

"The Young Communist League has a great ideological influence upon the Chinese Student League, which has been the pioneer in the struggle against imperialism for many years.

"The League issues a publication in the Chinese language ("The Chinese Youth") of which 48 numbers have already appeared. The paper is widely distributed and is at the same time the leading organ for the active workers and the nuclei. Apart from this, the League publishes the periodical, "The International of Youth" in the Chinese language and also leaflets, etc.

"The conditions for the growth of the Young Communist League are favorable. The working day of the Chinese youth is from ten to twelve and even fourteen hours. And in this time the young workers can only earn half the wages of the adults. The Chinese Young Communist League stands before the task of strengthening its economic work which has previously been absolutely insufficient. The Young Communist League agitates successfully upon the political field and attacks the imperialist plans for the enslavement of China in all meetings."

Radically Inclined.

The Chinese, as a matter of fact, are peculiarly susceptible to revolutionary propaganda, it has been

noted by many observers. Thus Ta Chen, Professor of Sociology on the staff of Tsing Hua College at Peking, writes in the United States Monthly Labor Review (November, 1924): "To millions, the struggle for existence is too severe. Under these circumstances the Chinese mind today is quite receptive to advanced ideas. Economically, many farmers and workmen in the country favor an experiment in Socialism, holding that such ideas can be applied in Chinese rural life, the village community being small and the population homogenous." Bertrand Russell, the English philosopher, who taught in China several years ago, states that the "great majority" of the students are "socialists and opposed to the capitalist system."

A Death Blow to Imperialism.

Furthermore, the loss of so huge a market as China, with the vast political and economic changes necessarily involved, would be a death blow to the imperialistic policies of the Western nations and Japan, and thus an irretrievable weakening of their capitalist economy. Precisely for these far-reaching effects and influences the situation in China is one which may at any time produce a crisis leading to another world-war. From this standpoint it is one which the Communists, as the most militant element in the revolutionary working class, should utilize to the utmost.

"All great officers of State are occupied with commercial affairs. The Foreign Office and the Colonial Office are chiefly engaged in finding new markets and in defending old ones. The War Office and the Admiralty are mostly occupied in preparation for the protection of our commerce. The Boards of Agriculture and of Trade are entirely concerned with these two great branches of industry. It is not too much to say that commerce is the greatest of all political interests, and that that government deserves most which does most to increase our trade and to settle it on a firm foundation."—Joseph Chamberlain, former British Minister of Foreign Affairs, addressing the Chamber of Commerce of Birmingham, England, in 1897.

"Despite public impressions to the contrary, when nations get together in a conference each move is dictated by the primary instincts of self-interest. There may be an abundance of "altruistic" talk for public consumption, but in the final analysis it is the primary instinct of self-preservation which dictates all actions."—The China Weekly Review, Shanghai.

"We are now come upon a time when it is the business of Government to direct the strategy of industry for its nationals in the bloodless contests of trade. IF, FOR A TIME WAR SHALL BE BANNED, the foreign activities of Government should be directed to securing by industrial strategy what in other days was obtained by military force. . . . The Department of State should work hand-in-glove with the Department of Commerce to open and hold the markets that our OVER-DEVELOPED MANUFACTURING INDUSTRIES NEED FOR FULL-TIME PRODUCTION."—Grosvenor B. Clarkson, former Director U. S. Council of National Defense, during World-War, in American Industries, January, 1924, national organ Chamber of Commerce of the United States.

"Geographically and politically America has advantages in the Far East unequalled by any other nation. Few Americans realize that the United States is closer to Asia than it is to South America, being about 50 miles distant via Alaska from the shores of Asia; that it is possible to connect Asia and the United States by rail thru a tunnel across Bering Strait; that Manila, in American insular territory, is closer to China than is Tokio; that the United States has for the past twenty years governed an Asiatic colony nearly as large in area as Japan and with a population of 10,000,000 people; that the United States with its insular possessions has a greater Pacific coast-line than any other nation and probably as great as China and Japan combined."—(Julian Arnold) quoted by High.

"I believe that China offers the biggest field for commercial enterprise that exists today. . . . It is to be feared that foreign capital is going to get ahead of ours in the vast industrial and commercial expansion which is sure to come. . . . I sincerely hope that our bankers may yet have the support of the Department of State in financial operations in China, and that whether this support is given or not, American bankers will not hesitate to enter the field on their own responsibility."—Vice-President of Standard Oil Co., quoted by Hornbeck.

". . . China, with an average wage scale about one twenty-fifth that of the United States, offers a marvelous field for industrial and commercial expansion, especially so when we consider that the country possesses unlimited undeveloped natural resources, combined with a peace-loving, industrious, and hardy population. America now (1915) supplies only 8 per cent of the Chinese imports. Where else are to be found higher prospects of future development for American capital and enterprise than here in this, the oldest and most populous nation, but among the youngest in point of the development of her natural resources?"—Julian H. Arnold, former U. S. Commercial Attache to American Legation in Peking. (China Press, Oct. 16, 1915).

"British foreign policy is broadly defined in the necessities of the British people. First, the government in its foreign relations must seek markets for the product of British industry. It is by foreign dealings—by sales of British goods—that British industry may be sustained and the British people fed. Thus foreign trading becomes the first necessity of British policy. Second, British policy must look to defense of the empire; and that in its essence is the guardianship of India. These high considerations control British foreign policy and must continue to define its course if British prestige is to hold its traditional status. So far as the course of British foreign policy is concerned, it is no great matter which party shall be in executive authority or who shall sit in the premier's chair. As between premiers of one party or another, devices may differ, but the ends to be attained are identical. They are: (a) the finding of markets for British goods; (b) protection of the empire."—Chicago Tribune, Oct. 10, 1924.

"It is not too much to say that the modern foreign policy of Great Britain is primarily a struggle for profitable markets for investment. To a larger extent every year Great Britain is becoming a nation living upon tribute paid from abroad, and the classes who enjoy this tribute have an ever-increasing incentive to employ public policy, the public purse, and public force to extend the field of their private investments. This is, perhaps, the most important fact in modern politics, and the obscurity in which it is wrapped constitutes the gravest danger to our state.

"What is true of Great Britain is true of France and the United States, and of all countries in which modern capitalism has placed large surplus earnings in the hands of a plutocracy or of a thrifty middle class."—J. A. Hobson, in his book "Imperialism."

CHAPTER TEN.

THE CUSTOMS CONFERENCE OF 1925.

The international Customs Conference held in Peking, beginning October 26, of last year, marks an epoch in the relationship of China to the Great Powers. We shall therefore deal with it rather at length, especially because it illustrates very well the economic factors which determine the imperialistic policies of the capitalist nations in their attitude towards the Chinese.

This Conference was called in pursuance of treaties adopted at the prior international conference held at Washington, D. C., in 1921-1922, called to consider the limitation of armaments but addressing itself principally to the consideration of that problem as it affected the balance of power in the Pacific. At Washington the nine Powers represented, chief of which were the United States, Great Britain, France and Japan, adopted resolutions submitted by the American representatives declaring the intention of the signatory nations to respect the sovereignty, the independence, and the territorial and administrative integrity of the Chinese Republic. The nations which drew up this statement had all been engaged, with the exception of the United States, in a mad and utterly unprincipled scramble for privileges in China over a period of many years. The only reason the United States had not participated in this wholesale robbery was, as we have pointed out previously, because her ruling class felt no pressing need for such

expansion. Other resolutions which were approved recognized the policy of the Open Door, meaning that the exploiters of no one nationality were to have an advantage over the other nationalities in plundering the Chinese. The participating nations agreed that they would not in the future seek special rights or privileges for their citizens from China. The Conference rejected a resolution offered by the Chinese delegation abolishing the special rights and privileges which these same nations had extorted in the past by means of bribery or coercion.

American Diplomats Win Out.

The decisions of the Washington Conference represented a decided victory for American diplomacy and an equally decisive defeat for the Japanese. The adoption of the Open Door principle implied a repudiation of the Lansing-Ishii agreement negotiated during the World-War and a return to the policy of Secretary of State John Hay as laid down in 1898. The Lansing-Ishii exchange of notes had recognized the special relationship between Japan and China, a sort of Monroe doctrine for Asia under which Japan was acknowledged to have superior rights in exploiting China, just as the United States has in exploiting the South American and Central American republics.

Moreover, a treaty was drawn up between the United States, Great Britain, France, and Japan, for the mediation of any disputes over their possessions in the Pacific, and providing for the termination on its ratification of the Anglo-Japanese Alliance which had been in effect since 1905. Thus the alliance of America's two chief rivals in the

Pacific was broken. Nor was this all. As the result of extended negotiations Japan was finally compelled to promise to return to China Shantung, from which she had ousted the Germans during the World War.

The Customs Conference.

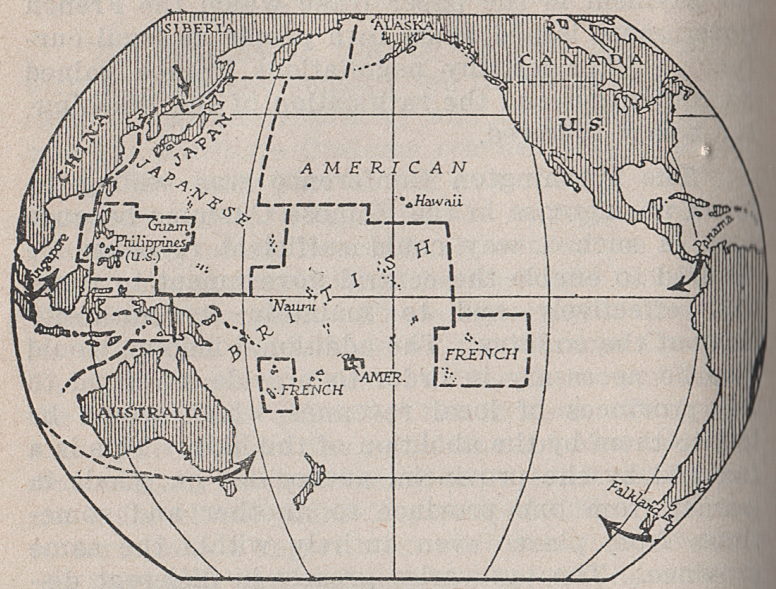
The fast rising tide of Chinese Nationalism with its insistent demand for the abolition of the right of extra-territoriality and of foreign control over the Maritime Customs reached such a height during the early part of last year (1925) that the United States took the initiative in suggesting the summoning of an international conference to deal with these matters along the lines laid out in the Washington treaties. These agreements provided for a Special Conference on the Chinese Customs Tariff to meet in China "within three months of the coming into effect" of the treaties. They also made provision for the establishment of a Commission to study the question of extra-territoriality and the state of the judicial system of China in order to formulate a report with such recommendations "as they may find suitable to improve the existing conditions of the administration of justice in China, and to assist the Chinese government to effect such legislation and judicial reforms as would warrant the several Powers in relinquishing, either progressively or otherwise, their respective rights of extra-territoriality." This committee was to report within a year. Each Power was to be "deemed free to accept or reject all or any portion of the recommendations of the Commission."

Due to the failure of France to ratify, no action was taken in the matter for nearly three years.

The French refused to approve unless China would resume payments on the Boxer Indemnity in gold. These installments had been suspended upon China's entry into the World-War as part of the bribe to secure her support in driving the German traders out of her territory. The Chinese held out for payment in the paper franc which the French government issued to its own people as legal currency. After lengthy negotiations France gained its contention and the ratification of the Washington treaty followed.

The Washington Conference was willing to grant an increase in the Chinese Customs because only in such a way could sufficient revenues be secured to enable the central government to function effectively and to maintain its authority thruout the country. The additional income would also be necessary in order to provide a refund to the provinces of local revenues which would be lost to them by the abolition of the likin. This is a tax laid by the provincial authorities on goods in transit from one province to another and sometimes from places even entirely within the same province. The tax varies greatly in different districts and is arbitrarily determined by the governor quite independent of the central government. Its imposition is a fruitful source of income for the expenses of the tuchuns (military governors) in maintaining large mercenary armies which enable them to carry on private wars for their own aggrandizement.

The abolition of this duty would enormously facilitate the transaction of business in the interior of the country, even if it were not accompanied by the grant to foreigners of the right to trade outside



From the Plebs "Outline of Economic Geography"

Political Map of Pacific

The arrows indicate the "gateways" from the Indian and Atlantic oceans. All shipping must pass thru these "gateways." The map brings out the strategic importance of the United States control of the Panama canal and of the Philippine Islands.

the treaty ports, to which they are at present restricted. As a matter of fact, the removal of the tax will become increasingly necessary from the standpoint of the Chinese themselves if they are to achieve a real national unity. Their industries cannot prosper so long as these interruptions exist to the logical channels of commerce. The growth of capitalism will burst asunder all such fetters on the productive energy of the nation, just as the commercial class after our own revolutionary war found the restrictive tendencies of the various loosely federated colonies a bar to economic progress and set in action forces which destroyed local prerogatives in favor of a strong central government.

Great Britain Once Willing.

Great Britain, in the Mackay treaty of 1902, had agreed to an increase of the Chinese customs duties by 2½ per cent, with a surtax of 5 per cent provided the likin were abolished. This would make the maximum rate 12½ per cent in place of the present 5 per cent. Subsequent Chinese treaties with the United States and Japan ratified this arrangement, but it was never put into effect because the other Treaty Powers took no action and China allowed the likin to remain. It is when a concrete situation is presented, like that embodied in the calling of such a conference, that the real basis for international policies is most clearly discernible.

Why was it that the foreign offices of the nations involved vacillated in their attitude almost from day to day? Of course, the unexpectedly violent crisis precipitated by the incidents at Shanghai had much to do with these hesitations. The com-

plicated balance of national interests in the Orient and the extremely unstable condition of world capitalism in general contributed still more to this uncertainty.

Offensive to England.

It is hardly doubtful that the first suggestion for the holding of such a conference was very offensive to most of the Powers, and to Great Britain in particular. The original suggestion by the United States had linked the matter of the customs with that of extra-territoriality. It was China which separated the two questions.

As this division was not made until some time after the entire matter had been broached to the Powers the first reactions emphasized that aspect of the proposal which the respective nations found most objectionable. Thus Great Britain openly stated she had nothing to gain from a conference on extra-terrritoriality. "At this time," declared Austen Chamberlain, minister of foreign affairs, "our commercial interests in the Orient, and particularly China, are too vital to permit the Chinese government and courts jurisdiction over British subjects and property."

This attitude reflects the standpoint of the "die-hards" who form her settlements in Hongkong and Shanghai. They are for a "strong" policy towards the Chinese, the use of British armed forces to suppress native opposition.

The hasty ratification of the Washington treaty by France in June, 1925, after delaying for over three years, seemed to indicate that she favored the proposed conference. Shortly after the confirmation, however, high officials of that nation asserted it was "not the right time for such a con-

ference." On July 22 Japan notified the United States of her approval, contrary to the general impression that she would be strongly opposed.

Another "Investigation."

The frankly expressed antagonism to the American "feeler" led the authorities at Washington to tone down their proposition considerably. It was officially announced that the idea so far as the question of extra-territoriality was involved mean merely the setting up of an "investigating" committee to "consider" and "report later" whether this privilege should be "abolished" and to "study" means for its "general elimination." Whenever the ruling class desires to postpone action it resorts to "investigation," particularly the American ruling class, which is an expert in thus dodging decisions.

Soviet Russia Excluded.

It is significant that the Soviet Union, the boundaries of which adjoin those of China for thousands of miles, was invited neither to the Washington conference nor its successor at Peking. Russia, of course, was vitally concerned.

The capitalist nations were in a peculiar quandary. Their decisions could not bind the Soviet Republic and would in large part be nullified by her refusal to approve. They knew the dangers of inviting the Soviets to send representatives—even though they did not know whether the invitation would have been accepted—for the workers and peasants of Russia had repeatedly expressed their solidarity with the Chinese. The diplomats were between the devil and the deep sea. They chose to

ignore the Soviet Union but behind their deliberations loomed the huge figure of the Workers' Republic.

Broken Promises, as Usual.

On their part the Chinese had not forgotten the broken promises of the Washington Conference. Great Britain had agreed to restore the leased territory of Weihaiwei and France had stated her willingness "in principle" to restore Kwangchowwan to China upon Japan's return of Kiaochow. Though the Japanese restored that port in January, 1923, neither France nor England had so far done anything to make their word good. Nor had the commission been appointed which was to investigate the practicability of steps leading to the abolition of extra-territoriality.

1. Japan and the Conference.

For Japan the issues considered by the Peking Conference were of transcending importance. Any increase in Chinese customs duties are bound to effect Japan adversely. One-third of Japan's total exports go to China and on the other hand her imports from that country exceed those of any other nation. A higher customs tariff will therefore cut both ways.

A more detailed consideration of Japan's trade will reveal the stake of her capitalists in the Far Eastern conference very clearly. The bulk of her exports to that country as we have seen, consists of yarns and cotton goods of a cheap grade, easily made in the Chinese mills and already being manufactured there on a considerable scale. During the past decade there has been an increasingly heavy

investment of Japanese capital in China, particularly in the textile industry. The cheaper and more tractable labor and the nearness of the great cotton growing regions of the mainland, account, together with the struggle of the Japanese working class to organize and demand higher wages, for this growing tendency to transfer to Shanghai, Tsingtao, and other Chinese cities virtually the entire manufacture of cotton goods, insofar as competition in supplying the Chinese market is concerned. Under the capitalist system the exploitation of this market is an absolute necessity for Japan. This same tendency for the transference of capital to the mainland is going on in the matchmaking and flour industries, according to the Japanese press.

Japan's Precarious Position.

The worldwide interrelationships of economic factors is nowhere so evident as in a situation like this. Japan's most important market is the United States which takes one-third of her entire exports. Raw silk makes up 80 per cent of the total. Yet an expert of the Mitsui Kaisha, one of Japan's largest corporations, reporting on an exhaustive investigation made in 1924 of conditions in Kwangtung province, stated that this single Chinese district could produce more mulberry leaves than all Japan. (The silkworm feeds exclusively on this leaf). Under customs autonomy China would be able to erect a protective tariff to develop this industry to the point where it would soon drive Japanese silks out of the American market. Take from Japan, as one writer remarks, the silk exports to the United States and the export of cotton goods and yarns to China and Japan has nothing much left.

Enormous Increase of Chinese Trade.

The enormous importance of her trade with China is emphasized by its development in recent years. From 1904 to 1918 Japan's share of the direct trade between China and all other nations increased 714 per cent, more than fourteen times as fast as England's and three times that of the United States. In 1880 only three per cent of the China trade was in Japanese hands. The proportion increased to 11 per cent by 1899 and to 20 per cent in 1913. During the World War Japan's share of the total external commerce of China made a huge gain, reaching to a third (35 per cent) of the whole. From 1899 to 1913 the tonnage of Japanese steamships engaged in this trade increased five times, and has been growing ever since.

Contributing to the development of this commerce are the thousands of Japanese firms in China. Here, too, a tremendous gain is shown. In 1875 the only Japanese company in China was located at Shanghai. By 1899 there were 195 Japanese concerns doing business in that country. In 1917, only eighteen years later, this number had jumped to 1,269. Last year they owned 29 out of 42 foreign banks in China.

High Chinese Tariff Feared by Japan.

It will be perfectly natural and logical, as soon as customs autonomy is secured, for the rising Chinese business class to seek the enactment of a high protective tariff under which the native industries may be developed. This would be accomplished by the imposition of high import duties on cheap cotton goods and on coal, both of which are important articles of Japanese export to China,

and the imposition, on the other hand, of high export duties on iron ores, steel, and raw cotton, which constitute the principal Japanese imports from China. The policy of conserving raw materials for the use of the growing national industries and of discouraging imports of commodities which can be manufactured at home is bound to determine the new tariff. Of all the national capitalist groups the Japanese stand to lose most by China's control of its own customs.

A protective Chinese tariff would tremendously stimulate the flow of Japanese capital to the mainland. Its effect upon the industries in Japan would be catastrophic, and certain to produce important economic repurcussions in that country. "Japan's economic life depends on the free and regular exchange of commodities with China" was reiterated again and again in all Japanese discussion of the subject. The expert of the Mitsui Kaisha, whom we have previously quoted, reached the conclusion that the increasing competition of the Chinese would force his country to develop into "a highly technicalized industrial nation to maintain itself." An editorial writer in the Trans-Pacific (September 9, 1925) stated that the only measures which could be taken to meet the growing menace from Chinese manufactures "are investments of Japanese capital in Chinese industry and the conversion of the manufactured products of this country (Japan) from cheap articles to those requiring highly skilled labor." He added significantly that this was "a field which is already well-occupied by the factories of the United States and Europe."

Want Bribe Money Back.

It was a consideration of these economic facts which caused the Commitee of Enquiry, appointed by the Japanese government to formulate recommendations for the guidance of that country's delegates to the Peking Conference, to urge that China should not be granted Customs autonomy until the end of a fifteen year period. The proposed increase of 2½ per cent in the Chinese tariff was approved. Both concessions, however, were to be dependent upon China's carrying out in full all the provisions of the Washington Conference treaties and settling the Nishihara loans. These latter consist of a series of financial advances to China during the World War, aggregating 95,000,000 yen. The loan received its title from the name of the Japanese army lieutenant who acted as the "go-between" in the matter. The outstanding interest—no interest has ever been paid—amounted in October, 1925, to an additional 36,000,000 yen. The Japanese government has subsidized certain banks in order that the interest payments may be met, on the assumption that the validity of the obligation would finally be recognized by China. The largest part of the loan is unsecured. The Nationalist movement in China bitterly denounces any effort at the repayment of these advances, characterizing them as having been in the nature of bribe money to hold Tuan Chi-Jui, then premier, to a pro-Japanese policy.

In addition, China was to take no radical step which would interfere with the smooth working of the present foreign trade apparatus and any statutory tariff she might enact should be "acceptable to the Powers." Japan was ready to relinquish

claims for various indemnities already agreed upon, excepting the Boxer indemnity, provided the increased revenues from the Chinese customs were applied upon the unsecured foreign loans. The total Japanese loans to China, including certain of the Nishihara advances and others with certain security, amount to approximately 300,000,000 yen.

Japan was also willing to agree to an ultimate advance in the Chinese customs of an additional 5 per cent, besides the surtax of 2½ per cent, making the rate 12½ per cent, provided China would promise not to allow any further anti-Japanese boycotts and would abolish the likin. The economic protest against Japan that has swept China several times, notably during the latter part of the World-War and in the recent Shanghai troubles, cost Japanese traders and financiers losses mounting into the hundreds of millions of dollars.

Reverse Recommendations.

Despite the fact that this advisory committee laid such a heavy emphasis upon the allocation of increased Chinese revenues to the repayment of unsecured Japanese loans, stating that about 60 per cent of the total of all unsecured loans to China was due to Japanese, it was then asserted by the leading government organ that the cabinet had discarded this recommendation in favor of the American view that the most important immediate step was to straighten out China's internal financial tangle—in other words, to use the increased revenues for the reconstruction of the country's broken-down administrative apparatus. However, representatives of the three Japanese banks interested

in the Nishihara loans accompanied the official delegation to Peking.

The Japanese representatives at the Customs Conference were headed by Hioki Eki, former chief of the Japanese mission which served the infamous "21 Demands" upon China in 1915. Along with Mr. Obata, another prominent Japanese diplomat, he was characterized by the Japan Weekly Chronicle as "having done more bullying work in respect of China than probably any other diplomatist, living or dead." The Osahi, published at Osaka, Japan, in an officially inspired article which discussed the report of the Advisory Commission, stated that "With reference to China's claim for tariff autonomy, an agreement has already been reached between Japan, the United States, and Great Britain to object to discussing that question, altho they are willing to give their kind consideration to it. . . . Should China press the participants to give her their immediate reply, her request would be immediately refused."

Any Time Will Do.

On behalf of the Japanese, Hioki presented their suggestions at the Peking Conference. He proposed that China should follow the example of Japan and wait for seventeen years before acquiring full tariff autonomy. He explained that the Japanese had revised their international treaties in 1894, the revision not to be effective, however, for five years. The revisions were then to remain in force an additional twelve years. This proposal would have necessitated a revision of the Chinese treaties with all other Powers, the establishment of special rates for

certain nations, and the delay of complete Chinese control of the Customs until 1942 or later.

The 2½ per cent surtax was to be allowed immediately on all Chinese imports and there was to be provision for a graduated tariff during the period from the signing of the new treaties to the time when full autonomy would automatically be possessed by China. This was limited by the provision that "no injury would be done to the commercial relations of China and the Powers." Special tariffs were to be formulated on certain commodities by direct negotiations between China and the Power concerned. The object of this proposition was to enable Japan to compel China to grant her a low duty on her exports to China of cheap cotton goods and yards and other necessities in consideration of Japan's retaining her present minimum tariff on the cotton and bean-cake, which constitutes China's chief exports to Japan.

Why, then, keeping in mind our analysis of the menace to Japanese commerce and industry involved even in a comparatively small increase of the Chinese customs—to say nothing of a grant of tariff autonomy in the immediate future—did Japan yield and concede China control of her Customs on January 1, 1929? Before answering that question we shall be obliged briefly to survey the basis on which rests the Chinese policy of the other Great Powers, expressing the interests of their dominant capitalist groups.

2. Great Britain and the Conference.

Complete tariff autonomy in the hands of the Chinese is not the same menace to British capitalists that it is to Japanese. England's principal ex-

port to China is cotton goods. In contrast to the similar importations from Japan, however, those from the British Isles are of the finer grades, which the Chinese mills are not adapted for making. There is a growing importation of English machinery. Here again the British need not fear autonomy, for with the increasing industrialization of China there will develop a greater demand for machinery, so the Chinese duties are bound to be low on such imports for many years. China receives large supplies of cotton yarns from India. These imports also are not likely to be adversely affected, because of the enormous and growing demand for woven cotton goods in China.

During the World-War Great Britain suffered severe losses in her Oriental trade. Prior to 1913 the British controlled over half of China's entire foreign commerce. By 1917 their proportion had dropped to about 40 per cent. The tonnage of British steamers in the China trade decreased from 60 per cent of the total in 1880 to 40 per cent in 1913, tho the actual tonnage rose from 15,874,352 tons to 93,334,830 tons, indicating the enormous traffic controlled by England.

Fast Losing Primacy.

Shanghai is the greatest commercial center of the Far East and one of the most important ports in the world. In 1864 the British firms were 75 per cent of all those doing business in that city. Of the foreign banking houses only one was not British. In 1917, out of 7,055 commercial houses only 590 were English. Both the Russians and the Japanese controlled twice as many. Out of 42 foreign-owned banks but four were British. These figures

show that Great Britain is fast losing her position of primacy in Chinese foreign commerce. This fact found its inevitable expression in the stand of that country at Peking.

British control of the administration of the Customs has been of vast benefit to the commercial and financial interests of that country in the Far East. The reason, stated the China Weekly Review (September 19, 1925) is that the Customs funds, "prior to their release for payment of obligations of the Chinese government, have been deposited in British banks." In other words, the Customs receipts, most of which are security for the payment of foreign loans, are so handled that they also furnish the basis for British banking credit resources in China. It is no wonder, consequently, that the English financiers are decidedly averse to surrendering the control of the tariff administration.

Interests Predominantly Commercial.

England's stake in the Orient is predominantly commercial, in spite of her territorial possessions, such as Hongkong, and the leased areas which she holds. As Lord Gosford stated in Parliament last summer (1925) in a discussion on British policy in the Far East:

"China is the market of the world which could offer an immediate solution for our unemployed problem. It can absorb an immense volume of cotton goods, steel work, railway material, bridges, electric plants, and practically every article which is produced in bulk in this country (Britain)." The Round Table, organ of English colonial interests, declared that "China is the only country in the modern world which offers a great and expanding

market for the products of British industry." (September, 1925).

3. France and China.

The direct interests of France in China are very much less than those of Great Britain, Japan, and the United States. Her share of Chinese commerce is negligible. She has two extremely valuable concessions, those at Shanghai and at Tientsin. With Czarist Russia she participated in the post Sino-Japanese war loans which were to finance the huge indemnity and her bankers since then have made considerable other advances of funds. With British, Japanese, and Czarist Russian groups, she financed the construction of the Chinese Eastern Railway, built as a short cut to Vladivostock thru Manchuria. That railroad since then has passed under the control of Soviet Russia and China, with any recognition of financial rights therein by the other Powers specifically denied.

4. The Soviet Union and China.

The boundaries of Russia and China adjoin for thousands of miles. Under the Czar the Russian advance towards the Pacific involved intrigues which resulted in the alienation from China of immensely valuable territories and the predominance of Russian power in Manchuria and Mongolia. Czarist Russia for a large part of the last century exercised a predominant influence in China. Her defeat by Japan in 1904-5 destroyed the prestige which had so long been hers, but her geographical position and natural interests in the Orient made her still a factor to be considered in all diplomatic moves.

The Russian Revolution of October, 1917, resulted in a great change in the relationships between China and Russia. By the treaty negotiated several years ago between the two countries Russia surrendered her rights of extra-territoriality and all other special privileges granted in the past to her nationals. Provision was made for the adjustment of Customs duties and trade along the borders and an important provision was added regulating the administration of the Chinese Eastern Railway, a matter to which we referred in discussing the interests of France in China. As we have seen in the section on the Kuo Min Tang, the influence of the Soviet Republic on the Chinese masses is growing enormously.

5. The United States and China.

The United States is admittedly the richest nation in the world. From the standpoint of natural resources, mechanical equipment for their exploitation, geographical position, population, and financial standing, it is the most powerful. What policy does it pursue in the Far East, and why? What do its capitalists want in China?

Alone of the Great Powers, outside of Soviet Russia, it had not seized nor was it holding Chinese territory. It had not participated to any considerable extent in loans to the Chinese government nor had it secured for its citizens any far-reaching concessions such as those which had made various European nations practically rulers of large portions of China. American financiers had not yet heavily invested in Chinese industry.

But the trade of the United States with China in 1924 reached nearly a quarter billion dollars and

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The Soviet Union and China

Contrary to the impression of many, Japan is very much nearer to the vital centers of China than the Soviet Union is, as readers will note by a reference to the scale of miles. Besides, the only rail connection between China and Siberia runs thru Manchuria, which is controlled by Japan. Mongolia is largely desert, with few passable roads.

Canton, in the extreme south, the strongest center of Soviet influence, is faced by bitter enemies on three sides, —the British at Hongkong, the Americans at Manila, the French in Indo-China, and the Japanese in Formosa.

is growing. Many American business men believe the Pacific is to be the great avenue of world commerce, usurping the place so long held by the Atlantic. "Westward the course of Empire takes its way." The completion of the Panama Canal removed the greatest obstacle to effective competition by this country for the trade of the Orient. It brought the eastern part of the United States, its great manufacturing section, almost as near China as the western coast of Europe had been, so far as ease and cheapness of transport was concerned. It enormously boomed commerce between the Atlantic ports of this country and the Far East. American trade with the entire Orient grew by leaps and bounds. The World-War breaking out shortly after the Canal was finished contributed to this result. In the four years from 1913 to 1917 American trade with China doubled, aggregating in the latter year one-sixth of China's total foreign commerce. In the period from 1904 to 1918 the United States made a gain of 244 per cent in her trade with China. The increase, a very large part of which was due to the Canal, is shown more graphically in the following figures (millions only shown):

	U. S. exports to China.	U. S. imports from China.
1914	$ 37,000,000	$ 43,000,000
1919	117,000,000	154,000,000
1924	124,000,000	158,000,000

Interests Chiefly Commercial.

The interests of the United States in China have thus been predominantly commercial. That the American traders in Shanghai and Hongkong were one with the British in the demand for harsh measures of repression against the Chinese during the

recent trouble and determined to retain all their special privileges was evident from the denunciation by the American Association in China, of Senator Wm. E. Borah's advocacy of the renunciation of extra-territoriality. In reply Borah excoriated them as "part of the imperialistic combine which would oppress and exploit the Chinese people and charge the result of their offense to someone else." "These interests, including the American chamber of commerce in China," he continued, "are the real cause of the trouble."

On the other hand, curiously enough, the American missionaries—and missionaries in general—have been considered by imperialists like Cecil Rhodes invaluable adjuncts to "civilizing" the backward people—seemed in general to have supported the demand for the abolition of foreign privileges. The present anomalous situation, they complained, hindered the work of "converting the heathen" on account of the un-Christ-like attitude of the "superior" white race.

Because of the failure of the last consortium (an agreement to negotiate government loans only thru an association of certain banks representing the great powers except Russia) American finance capital, aside from minor amounts in industry, has invested little in China. Its interests thus lie in the possibilities of the future rather than in the protection of the past.

The increase of the Chinese tariff rates would affect United States exports to China very little, for they consist chiefly of machinery, highly-finished steel products, oil, lumber, tobacco, and wheat. The manufactured goods do not encounter

Chinese competition and the tobacco and wheat are imported only when there is a native shortage.

The Apparent Paradox.

This then has been the economic situation of the Great Powers in relation to China. In the case of Japan, it should be added that her position in Manchuria complicates the question of what her policies shall be towards the Chinese. The whole of Manchuria, as we have already noted, is underlaid with coal. Moreover, it is a great wheat-growing region. Japan secured a predominating position in this province by her defeat of Russia, falling heir to such privileges as the Czar had been able to extort from China in the preceding decade. Manchuria furnishes the Japanese what their country badly needs—coal and food.

In the light of the analysis we have made, it would appear that the grant of tariff autonomy to China at the Customs Conference last fall with comparatively little apparent haggling was an entirely inexplicable result. It must be remembered, however, that international policies are no longer determined solely by factors local to any part of the world. What determined the capitalist Powers to concede the Chinese demand was the general trend of events in Europe, and the entirely unexpected Nationalistic outbreak which swept China, following the Shanghai troubles, together with the tremendous influence acquired by the Soviet government on the Chinese masses.

All the evidence shows that a complete change of front took place in the American, British, and Japanese delegations between the early part of October when it was officially announced in the Japan-

ese press that Silas H. Strawn, the American delegate; Hioki Eki, the Japanese delegate, and Sir J. W. R. MacLean, the British delegate, were unanimously resolved to refuse autonomy of the Customs to China, and the opening of the Conference. What, then, compelled this new attitude on the part of the three chief delegations?

Morgan's Hand Revealed.

The minutes of the consortium of international bankers which was originally formed in 1913 to handle Chinese finances throws some light on the subject. The minutes of the conference of this group, held October 19, 20 and 21, 1925, at the offices of J. Pierpont Morgan and Company in New York, have been made public. They reveal that these financiers were keeping in close touch with events in China and with the foreign departments of the Powers which serve as their office boys. The American banks in this combination were represented by Thomas W. Lamont, of the Morgan firm; the French banks by R. St. Pierre; the British, by C. S. Addis, and the Japanese by H. Kashiwagi.

The minutes do not openly endorse the demand for Customs autonomy. They do infer that the international bankers were ready to make far-reaching concessions for the sake of stabilizing conditions in China and calming the Chinese. "Peace in China, security of life and property, the removal of the sense of grievance, and the renewal of friendly relations with foreigners—these are the primary conditions for the restoration of trade and industry on which depends the development of the reserves of China and in the last analysis, of capacity to discharge her indebtedness. In other words, guar-

antee our opportunities for exploitation and we will be your friends!

We have already noted the Japanese demand for applying the increased revenues under a higher Chinese tariff to the repayment of unsecured loans, particularly the Nishihara advances. Here, as in the case of the Customs, Japan suffered a decided defeat. The Consortium resolved that the question of the unsecured debts "should be submitted to an expert committee for examination" after "constructive measures of fiscal reform with suitable safeguards" should have been taken for "adjusting the national expenditure to the actual revenues." Thus Japan would have to wait for the repayment of her unsecured debts until the tangled financial affairs of the Chinese government had been straightened out to the satisfaction of the Morgan firm, which, of course, is the most powerful of the members of the Consortium. That the international bankers were ready to propose some sort of Dawes Plan for China is quite evident.

The influence of the Consortium at the Peking Conference displayed itself immediately. Upon its opening at the end of October (1925) the Chinese delegation, which was numerous and included some of the highest officials, proposed that all treaty restrictions upon the right of China to set its own Customs duties should terminate on January 1, 1929, at which date their own tariff regulations were to become effective. The likin was to be abolished by that time.

The American delegation, in presenting its position, approved the grant of tariff autonomy, but added the condition that at another international conference to be held in China on May 1, 1928, rep-

resentatives of the Powers taking part in the Peking gathering should "decide whether the likin had been abolished" and should then "negotiate any further agreements necessary regarding the Treaty's subject matter." This provision aroused much Chinese opposition because it would provide a loophole for denying autonomy the following year on the ground that technically all the conditions had not been fulfilled. The American plans provided for increases in the tariff during the period until autonomy came into force as follows: a 2½ per cent surtax to be effective February 1, 1926, and a 5 per cent luxury surtax, effective not later than July 1, 1925. Both of these increases were provided for at the Washington Conference three years before. Three months after the conclusion of the treaty incorporating these measures the Chinese were to have the right of levying an interim maximum surtax of 12½ per cent on imports and of 7½ per cent on exports, the increased revenue to be held by the Customs Administration. The American proposition meant little in the way of benefit to the Chinese, especially as it contemplated that the administration of the somewhat increased income should remain under foreign control. On November 19 (1925) the suggestions of the United States were adopted by the provisional measures committee of the Customs Conference. Committees were then appointed to work out detailed plans for putting into effect the surtaxes and to provide for the distribution of the revenues they will bring in.

To Put Off Action.

The circumstances attending the calling of the conference and its deliberations, together with

a general analysis of the international situation of the Great Powers, shows most plainly that the capitalist statesmen want the discussions in the committees which were appointed to drag along without reaching any definite conclusion so far as conceding in substance the Chinese demands. This is confirmed by the announcement that owing to the internal wars going on in China nothing more is expected of the Customs Conference until this spring (1926) and by the indefinite postponement of the Conference on extra-territoriality which was originally set for December 18 (1925).

Knotty points remained to be settled by the Customs Conference. One of these, that involving the establishment of the inland frontiers Customs as uniform with those for the Maritime Customs, affected the Soviet Union. As we have pointed out, the Workers Republic was not represented at the Peking meeting and was therefore not bound by its decisions. This latter fact complicated the work of the Conference, for Soviet Russia has a tremendous influence on the masses in China. It meant that back of the Chinese delegates there stood the 140,000,000 peasants and workers of the Soviet Republic, a situation which the hirelings of the capitalist Powers had to keep constantly in mind.

Another difficult problem was the allocation of the increased Customs revenues. Japan, as we have pointed out, wants to apply them principally on the unsecured Chinese loans. These amount to approximately $217,000,000. Of this total about two-thirds is due Japan. France claims 13 per cent; Great Britain, 11 per cent, and the United States, 10 per cent. Hitherto the Powers have been

unable to agree on the repayment of these advances, some of which, as the Japanese Nishihara loans, were notoriously made for purely military purposes and as bribes to corrupt Chinese government officials. The Chinese strenuously object to their repayment.

No Permanent or Just Settlement Under Capitalism.

It is evident from our study of Capitalism at work in China that no permanent or just settlement of any issue is possible which involves the exploitation of the toiling millions of peasants and workers, short of a complete overthrow of foreign domination and the establishment of a Workers and Peasants Republic. Joined in alliance with their brothers and sisters of Soviet Russia, they would be invincible.

American Chamber of Commerce in China Flayed.

In reply to the insistence by the American Association in China that the United States back Great Britain's "strong arm" methods, Senator Wm. E. Borah, Chairman of the Foreign Affairs Committee of the United States Senate, declared, in a statement to the American press that this body was "a part of the imperialistic combine which would oppress and exploit the Chinese people and charge the result of their offense to someone else."

"Anyone who is familiar with what has been going on in China for the last ten years, and the manner in which foreigners have disregarded and bruited the Chinese interests, will have no doubt as to what is the real cause of the trouble in China at the present time.

"So far as I am concerned, they are not going to hide the cause of the trouble. These interests, including the American Chamber of Commerce in China, are the real cause of the trouble.

"I venture to say that if the foreign interests in China will respect the rights of the Chinese people, and deal with them in justice; if they would even give them the rights and respect the rights as they were defined in the disarmament conference, there would be no trouble in China with foreign powers.

"In making the former statement I expressed my personal views, but I am prepared with the facts to disclose a condition of affairs which would be exceedingly distasteful, in my opinion, to the American Chamber of Commerce."

It is extremely significant that since this statement the American Association in China has kept its mouth shut.

CHAPTER ELEVEN.

THE SIGNIFICANCE OF THE CHINESE WORKERS' STRUGGLE.

China occupies a pivotal position in the world-wide struggle between Capital and Labor, between the highhanded imperialism of the Great Powers and the aspirations and need for self-expression and national independence of the suppressed peoples. This is evident from our study of the situation in the Orient and its bearing upon the international policies of the United States, Great Britain, France, Japan and the Soviet Union. The events in China of this past summer have had a pronounced effect in the Far East upon the other countries and the colonial possessions of the Powers. From Korea and Japan on the north to Indo-China and India on the south, the oppressed masses have watched the battle of the workers and peasants of China for freedom and have thrilled with the hope of final victory.

The success of the Chinese in this colossal struggle means a tremendous impetus to the revolutionary movements in all these other Asiatic lands. That is the reason why Great Britain so relentlessly fights against any surrender of her special privileges in China. Should the 300,000,000 natives of India follow in the footsteps of their brothers to the north and revolt, the Empire "on which the sun never sets" would receive its death thrust. France's dreams of an Oriental kingdom would vanish into thin air should the oppressed

peoples of Indo-China and Annam similarly rise. Japanese imperialism would soon feel the renewed strength of the Korean independence movement and her own working class would gain renewed courage for the overthrow of the capitalist system in Japan, along with those relics of medievalism, the Emperor (Son of Heaven), and his royal court.

In the light of such considerations, the working class of the rest of the world cannot adopt a passive attitude towards the march of events in the Orient. The more intelligent and militant workers, of course, realize the overwhelming importance of international labor solidarity as opposed to the nationalistic patriotism propagated by the capitalist class. The great mass, however, is moved into action only by the pressure of tremendous forces seeming vitally to threaten their safety, thus arousing the primary instinct of self-preservation. In what way, then, can we reinforce our appeal to the workers of America so that they will realize the stake which they have in this Chinese struggle?

Menace of Chinese Competition.

Capital always goes where its income promises to be the largest. The fact that there are huge sources of raw materials readily available and as yet hardly touched in many parts of China, together with a vast supply of cheap and efficient labor, is attracting the attention of the world's capitalists. As we have seen, industry is growing fast. Provided favorable political conditions can be secured so as to ensure peace and the suppression of the revolutionary working class movement, China is bound to become to an even greater degree a "paradise for employers." The defeat of the

Chinese workers means therefore a tremendous increase in the industrial exploitation of that country, and the entry of China on the world market as a serious competitor in manufactured goods with the other nations. And among those other nations is the United States of America.

As Efficient as American Workers.

Let not the workers of this country be deceived by the fact that this competition has not yet become an important factor in our commerce. The following views of authorities who are in a position to know indicate that the day is close at hand when the workers of America will be forced in self-defense to align themselves with their brothers and sisters of the Far East. Henry T. Hodgins, Secretary of the National Christian Council of China, in his book "China in the Family of Nations" (1923) states that while "at present Chinese factories cannot turn out much more than supplies the local demand, except in one or two special lines," still "there is no doubt that this position is being rapidly changed. Chinese laborers," he continues, "man for man, when given proper conditions, are not inferior to those of any other country. I was told in Shanghai recently that the delicate work on filaments for electric light bulbs is better done by Chinese workers than by American."

In the May, 1924, issue of Asia, Vera Kelsey, in an article on China, declares that "It is not only the cheapness but the ability of the Chinese workers that enable foreign manufacturers to **produce goods in China for from two to five times less than in their own countries.** The individual efficiency charts of the operatives of one corporation with

factories in both the United States and China are almost the same."

Charles G. Batchelder, formerly Acting Chief of the Far East Division of the United States Department of Commerce, points out the reason for the "large profits possible by employing in factories the abundant cheap labor." This consists in the fact, he says, that "The Chinese have proved to be well adapted to machinery, as they are intelligent, deft, and do not object to the monotony which is so wearing to the American operators of machines. **In some cases Chinese workmen can produce with American machinery goods at one-fourth the cost in the United States."**

The economic survey of China by the American Bankers' Association characterizes the Chinese laborer as "remarkably good-natured, patient, industrious, able to subsist on comparatively little, possess splendid endurance, and under proper training and supervision is the equal of the Western laborer." In other words, our exploiters rank the Chinese worker as the most profitable of all wage slaves. . . . And capital goes where labor is cheapest!

The Competition Which Is Coming.

Hodgkins, in the book to which we have referred, predicts a keen competition of Chinese manufactures based on this low scale with those of other countries. "When one considers the scale of living and the rate of wages, it is easy to see that Chinese manufacturers are certain, as they expand, to enter into very keen competition with those of Europe and America. Already American raw cot-

International Newsreel

STRIKERS' MASS MEETING AT CANTON

Strikers from Canton and peasants from the neighboring towns are shown here listening to anti-imperialist speakers who are urging their hearers to repudiate the "unequal treaties." Hundreds of these mass meetings were held during the great summer in Canton.

ton is brot to China, spun into yarn, and reshipped to America to be made into piece goods, to be sold in many instances in China. If this double transport is justified by the low cost of Chinese labor, it is certain the time is coming when Chinese factories will carry the process further and thus cut out the intermediate process in America."

Changing Courses of World Commerce.

Another consideration which has a vital bearing on the direct stake of Western workers in the events in the Far East is the fact that the industrial development of China is changing the courses of world-commerce to a marked degree, and will in the future continue to do so on a larger scale. Batchelder called attention to this factor in his address last summer before the Institute of Pacific Relations at Honolulu. He stated that the tendency is increasing in Japan, India, and China for manufacturing locally with European machinery such raw materials as silk, rubber, and jute, formerly manufactured in the United States and Europe exclusively. This may well upset the whole economic organization of the world, he predicted.

The Chinese, who formerly got their cotton yarn from England, are now using yarn spun in India and weaving their own cotton cloth instead of importing it from the British Isles. "For the present," he says, "the tremendous demand in India, China, and Japan for their own products absorbs most of the local production, but the goods of those countries are already penetrating Oceania, Malaysia, and Africa, and will soon invade Europe and America."

Part of a World-Wide Struggle.

The struggle of the workers and peasants of China for freedom is not an isolated phenomenon. It is part of the world-wide struggle of their brothers and sisters in every land to become masters of their fate instead of blind instruments of wealth production for the enrichment of a small ruling class.

The battle line is now in the colonial countries and the subject and weaker nations. Northern Africa flames with the rebellion of the darker races. Asia Minor is rocked with revolt. India seethes with discontent. Had the exploited people sufficient arms the day of the great capitalist empires had set.

Nor is all well at the heart itself of these vast kingdoms of modern finance and industry. The dictatorship of Capital stands nakedly revealed in such a powerful state as Italy, and in the less important countries, Spain, Hungary, Bulgaria, Greece, and others. Germany sinks more hopelessly year by year. France, utterly bankrupt, must soon face the bitter truth. England's unemployed mount by the thousands, steadily month after month. The balance of trade is increasing against her.

America—the United States—alone remains as the citadel of Capitalism, the last bulwark of oppression and the mighty fortress of which the exploiters of the workers are still in full command. Its credits in the form of international loans bolster up the topsy-turvy finances of the European governments and its financiers conspire with the Mussolinis and the Horthys to silence the revolt of Labor by courtmartials, by wholesale hangings, and

the revival of the most infamous tortures of the Spanish Inquisition.

Opposed to the imperialist nations which embody the capitalist system stands the Union of Soviet Republics—the embodiment of the new social order! The Workers State raises aloft the standard of the world solidarity of the toiling masses of every country, regardless of color, race, or nationality.

Support the Chinese Workers.

This situation in China affords a wonderful opportunity to arouse the international class consciousness of the workers and must therefore be utilized to the utmost. The Communists accordingly call on the toilers of every nation, of all races, to rally unitedly behind the Chinese workers in their struggle to overthrow their imperialist masters.

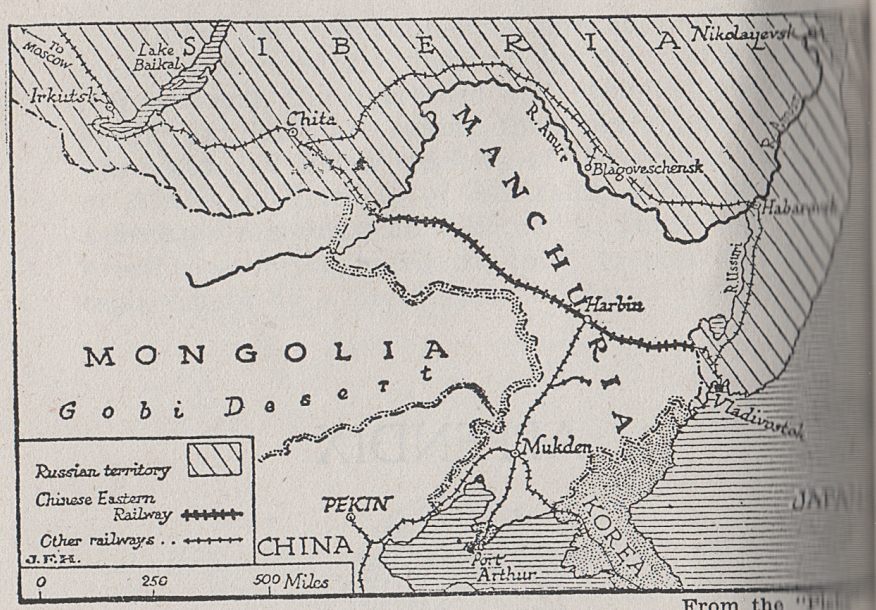
A most important task is the molding of labor sentiment for this purpose. Particularly must the organized labor movement be educated to an understanding of the issues involved. Continuous pressure will have to be exerted on the capitalist governments to prevent the use of their resources to crush the revolutionary movement of the Orient. The strongest measures will undoubtedly have to be undertaken, for, as we have pointed out, the very life of the capitalist system is at stake. If the great imperialist Powers attempt to intervene with military forces then the transportation agencies on which they depend for their supplies must be tied up, and such other means adopted as will prevent another slaughter like the last World-War. The slogan of the militant worker of every nation must

be: "Not a cent, not a gun, not a man, for imperialistic adventures!"

Under the Red Flag.

Under the red banner of international Communism, directed and inspired by the Communist International, the oppressed and exploited peoples of the Far East are taking their place with their comrades and fellow-workers of the rest of Asia, of Africa, of Europe, of Australia, and the two Americas, marching all together to battle for the overthrow of the hated capitalist system and its replacement by a world-union of Soviet Republics.

APPENDIX



From the "Pict

Railways of Northern China and Siberia

This map shows how the possession of railways dominates the life of a country. The Trans-Siberian Railway, under the control of Soviet Union, connects with the Chinese Eastern at Chita. The Chi Eastern, under the treaty between the Soviets and China, is under control of a committee representing the joint interests of the two tries. From Harbin the railroad south to Mukden, with branches that point into Korea, Port Arthur, and Peking, is under the domin of the Japanese.

THE RUSSIAN-CHINESE TREATY OF 1924.

The treaty negotiated between the Union of Soviet Republics and China in 1924 is a landmark in the history of the relationships between the Chinese and other nations. For the first time China was recognized as an equal with the Great Powers.

In order to show the sincerity of her friendship for the struggling masses of China, Russia surrendered all the special privileges, including the territorial concessions, and the millions then due on the Boxer indemnity. All treaties or other agreements of any kind between Russia and China, or between Russia and any other nation concerning China, which affected the sovereign rights of China, were declared void. All property in China belonging to the former Russian government was restored to the Soviets. Each government promised that it would not engage in "propaganda directed against the political and social systems" of the other nor permit the "existence and or activities of any organization or group whose aim is to struggle by acts of violence against the Government" of the other.

The rights of the Chinese people involved in the treaty and thus accorded specific recognition are, as K. K. Kawakami, American correspondent of the Tokio Nichi Nichi and the Osaka Mainichi, says, "those which the Chinese government and people have for decades been struggling to recover. The political and moral influence of the Peking-Moscow rapprochement cannot be overestimated," he concludes. The predictions he made concerning a decided change in the Japanese attitude towards both

Russia and China have since been verified. An immediate consequence was the recognition of the Soviet Government by Japan.

The Chinese Eastern Railway.

An important feature of the agreement was the provisions regarding the Chinese Eastern Railway. This railroad was originally constructed at the end of the last century as a result of a concession granted by China to the Russo-Chinese Bank, an institution which then represented Russia's financial interests in the Orient. The line began at Kaidalovo, a junction point with the Trans-Siberian Railway twenty miles from Chita, and ended at Vladivostok, with a branch from Harbin to Port Arthur and Dalny. This represented a great saving in distance and ease of construction over the original plans for the Trans-Siberian trunk lines, and in addition opened up Manchuria to Russian penetration. The branch to Port Arthur was taken over by Japan as a fruit of her victory over Russia, still leaving over a thousand (1,088) miles under the control of the Chinese Eastern Railway. During the reign of the Czar the Chinese rights to the road and their sovereignty over the Province of Manchuria had been ignored.

Outside Powers Excluded.

The 1924 Treaty restored this railroad to Chinese control. A supplementary agreement provided that until China exercised its right to buy back the line with its own money (to guard against its passing into the hands of an unfriendly nation by becoming security for a loan to China) the management of the railway should be vested in an Executive

department comprising three Russians and two Chinese who have charge of the maintenance of peace and order in the territory traversed, and an operating department consisting of a Russian director, with a Chinese and Russian assistant. The treaty specifically excludes all other nations from a voice in the administration of the railroad.

All of the influences which the other Powers could muster was used to prevent China's ratifying the Treaty. Why?

The new agreement practically confirmed the existing status, with the significant exception that men designated by the Soviet Government were to replace previous appointees of the Russo-Asiatic Bank. In combination with the clauses forbidding the harboring of groups conspiring to overthrow by violence either government, these provisions deprived the extensive "White" Russian bands of a base of operations against the Soviet Government and thus led to the breakup of those gangs of cutthroats and murderers.

France in particular objected, claiming that because her financiers owned a majority of the shares of the Russo-Asiatic Bank, the successor to the Russo-Chinese Bank, they should dictate the policy of the railroad. These shares, as a matter of fact, had been stolen from the Russian State Bank. The Washington Conference of 1922 supported the French demands, the United States, Great Britain, Japan and Italy signing such a resolution. The United States and Japan each advanced the line $5,000,000 during 1918 and 1919 when they were trying to overthrow the Soviet Government thru the invasion of Siberia from the Pacific. In addition, the South Manchurian Railway, a Japanese corpo-

ration formed to manage that part of the original road taken over after the Russo-Japanese War, claims a debt of several millions.

Chinese Control of Mongolia.

The Treaty also recognized the vast territory of Outer Mongolia as an integral part of China. In 1912 the Czar had concluded a secret agreement with the "Living Buddha," the real ruler then of that area, making the country a virtual dependency of Russia. The Chinese protested vigorously with the final result that a joint protectorate by China and Russia was established. The 1923 agreement ended this state of affairs.

Agreement Most Significant.

We have gone at length into the provisions of this Treaty because it represents a revolution in the relations of other Powers to China and has thus contributed greatly to the demand for national equality which is sweeping this ancient country, and because it reveals the Workers and Peasants Republic as the only nation to treat China fairly. This arrangement was not a mere coincidence. It happened because the workers and their peasant allies are the only classes in society which have nothing to gain by the brutal policies of economic imperialism and territorial conquest.

U. S. MILITARY FORCES IN CHINA IN 1925.

Charles Dailey, special correspondent in China for the Chicago Tribune, in an article in the November 8, 1925, issue, stated the United States had at that time a force of 1,400 soldiers stationed on Chinese soil, besides its warships in Chinese waters. "America maintains at enormous cost a great Asiatic fleet, which spends most of its time in Chinese waters, and also has on active duty in sovereign Chinese soil a military force under the command of a major general, which includes the Fifteenth infantry, with machine gun, howitzer and other essential elements; in addition to two battalions of riflemen, a command and a regimental headquarters.

"In addition to the 800 soldiers on duty in China with headquarters in Tientsin, there are in Peking, as a legation guard, two battalions of American marines, under the command of a colonel and subject to the orders of the American minister. More than that, they are subject to the orders of the SENIOR MILITARY COMMANDER OF THE FIVE NATIONS HAVING TROOPS IN PEKING, AND TO THE THE DUTCH MINISTER. PRESENTLY, WHEN THE JAPANESE CARRY OUT THEIR DECISION TO HAVE AN AMBASSADOR, THESE AMERICAN FIGHTING MEN WILL BE SUBJECT TO THE ORDERS OF A JAPANESE.

"In addition to the army of 1,400 men maintained by the United States in China there are at the moment sixteen warships, either on the Chinese coast or far inland on the great, broad rivers, and

especially the Yangtze. In the summer the entire Asiatic fleet is in Chinese waters, basing on Chefoo, on the northern coast of the Shantung peninsula, but in the winter the major ships of this powerful fleet, which is under the command of Admiral Williams, base on Manila.

"Even this fleet is divided, for there is a permanent division of gunboats strung along the Yangtze under the command of a rear-admiral and known as the Yangtze patrol, in addition to station ships at the more important ports, reporting direct to the commander-in-chief. The total number of men required for these ships runs into more than 2,000, and these are not reckoned with the land forces. . . .

Protecting Standard Oil Exploiters.

"Chicago is roughly 1,000 miles from the Atlantic seabord and St. Louis about a similar distance from the Gulf of Mexico. How would Chicagoans or St. Louisans feel if a French warship were stationed off Lake Shore Drive or moored in the Mississippi near the Eads Bridge for the protection of French nationals who might run counter to a traffic cop or be the victim of a holdup man? Yet the United States maintains at Ichang, in Szechwan province, 1,000 miles up the Yangtze from Shanghai, the gunboat El Cano. The power launch of the El Cano, with a crew and a pair of machine guns, often goes a full 500 miles further inland for the rescue of a missionary from bandits or for the protection of a Standard Oil man whose stocks have been seized by ruthless militarists.

"There are at the present time further American warships stationed in Chinese waters—the flagship Huron and destroyers Hart and Rizal at

Shanghai; flagship Isabel and gunboats General Alava and Penguin at Hankow, known as the Chicago of China, 600 miles from the sea; the Asheville at Hongkong, Aberanda at Amoy, Sacramento at Swatow, and Helena at Canton. The Monocacy is at Anhsien, 900 miles inland; the Palos at Luchow, also far up the Yangtze; the Villalobos at Changsha, 800 miles from the sea; the Pigeon at Nanking, 250 miles inland from Shanghai, and the Pampanga on the river beyond Canton.

"Congress has authorized the construction of three additional gunboats in Chinese waters for use on the Yangtze. These are not to increase, but to replace, obsolete vessels captured from Spain in the war of 1898, and their size and draught are so slight that if constructed in the United States they would have to be dissembled and reassembled after reaching China."

Dailey makes the categorical statement that "armed forces were established in China first at the request of the missionaries. When their services are required even at the present time the majority of the requests come from missionaries."

The War Danger.

The seriousness of the situation lies in the fact, as pointed out by him, that while in the United States itself only Congress can declare war, in China the American admiral in command of the fleet can precipitate war, as can also the American Minister to that country. Or war may be entered upon thru the action of the military head of the Peking legation guards, not an American, or the Senior Minister, a Dutch subject, or, if the Japanese raise their Minister to an Ambassador, at his orders.

FOREIGNERS IN CHINA; THEIR NUMBER AND DISTRIBUTION.

Increase in number by year (Chinese Information Bureau, London, 1925):

1880	4,000
1899	17,000
1913	164,000
1917	220,485
(mainly due to Japanese immigration into Manchuria)	
1922	282,491

of whom 152,848 were Japanese; 96,727 Russians; 11,855 British; 9,153 Americans.

Statistics for Shanghai (census 1925). Total foreign population 43,251, divided into

18,901	Japanese
8,400	Russians, principally White Guard refugees
7,657	British
1,100	French
930	Germans
680	Portuguese
3,418	Americans, besides 614 residing elsewhere within the Shanghai Consular District. This is the largest American colony in point of numbers anywhere outside of the territorial limits of the United States.

FOREIGN MILITARY FORCES IN CHINA, 1925.

(Compiled by the British section of the International Workers' Relief, January, 1926):

At Peking—A total Legation Guard of 949 soldiers.

At Tientsin, including small detachments along the Peking-Mukden Railway, to ensure communication with the capital:

British	834
Americans	955
French	1,530
Japanese	400
Italian	400

a total of 4,119, besides a force of 1003 British Volunteers, including officers, with an equipment of:

170	machine guns
9	Stokes mortars
12	75-mm. guns
6	80 " "
9	37 " "

In Manchuria the Japanese maintain the 6th Division, ostensibly to guard the South Manchurian Railway, but in reality occupying the key positions.

CHINA IN TRANSITION STAGE OF INDUSTRY.

While modern large-scale production takes place chiefly in the Treaty Ports and large cities of the coast the interior places, even those of great importance and size, may, like Peking, be characterized by a large number of small establishments in which a few workers and apprentices work under the direct supervision of the master. Indeed in the majority of cases the owner toils side by side with his employees.

Rug Industry of Peking.

Out of the thousands of workshops in Peking, designated as factories, there are hardly a score which are of any consequence. Most of them employ under 100 workers and are only partly modernized. In the rug industry, for example, there were in 1920 a total of 354 establishments. Of the nineteen of these which were well-known to the public the largest employed 200 operatives and 130 apprentices. The next most important had 100 operatives and 80 apprentices. The use of a very large number of apprentices as compared to skilled workers is shown in the fact that the third in size hired 300 apprentices to 30 trained weavers. Another place employed five operatives with 70 apprentices and another had but one craftsman to 31 apprentices.

The apprentices were from 13 to 20 years old and their term ran for three years. They received their board and lodging and a meager allowance

at the end of each year. The operatives were paid 20 to 30 cents for each kung they finished, being required to complete 30 kung a month. (A kung is a square foot of rug woven in 90 warps and the same number of woofs). This would make a wage of $6 to $9 a month and their lodging.

The simplest rug factory requires a capital of less than $100 and is operated by the proprietor with a few apprentices in a native shack.

The rug industry is centered chiefly at Peking and Tientsin. Investigations showed that all but two of the establishments gave their employees one holiday each month. Apprentices were taken in from ten to seventeen years of age for a term of 3½ years. They received no wages in that period.

Many of the workers not only receive too small wages to cover the increased cost of living but are also working under unsanitary conditions. "On the average four persons herd together in one small room which is poorly ventilated and lighted and in which they work, sleep, and eat." On account of these intolerable conditions there recently occurred the first strike in Peking in the history of that industry.

Other Industries.

Other industries in Peking are in the same intermediate stage. Out of over 100 cotton mills only three have over 100 employees including the apprentices. There are innumerable printing plants but only two of any size. Of the seven iron works the most important had 450 operatives and 170 apprentices. Only one other had over a hundred employees.

The making of clossonne ware is an important business. There was one large factory with 350 workers. The rest were very small family affairs using hand labor only. The manufacture of glassware has been known to the Chinese for countless centuries yet the plants are generally small, using the crudest and most primitive methods. The largest employed 20 craftsmen to 110 apprentices. Two hosiery knitting mills out of the 76 were of any size. At that time the four modern flour mills were closed because the imported flour from mills in America was cheaper, an interesting illustration of the way in which the more efficient highly paid labor of our own country, scientifically exploited with capitalist control of huge sources of supply, can drive out of a native market its own home production.

Child Workers Preferred.

The largest industrial establishment seems to have been a branch of the Tanhua Match Co. Here over 1,000 were employed. Of these one-half were children engaged in the packing department where it was stated they were preferred to adults "not because of the cheapness of their labor but because of the deftness of their hands." However, the fact of their working at less than half what the adults got very evidently played a considerable part in their selection. The Sonhoshin Brewery, the only Chinese-owned one in northern China, had 270 operatives and 200 apprentices. The Peking Electric Light Company, which employed 290 men, accorded the best working conditions and wages. Its employees received from $10 to $70 a month with

their meals. There was a pension for the injured and 30 per cent of the net profits went to the workers as a yearly bonus.

Tsinan Shows Same Stage.

Tsinan, another city, shows much the same picture tho at a more advanced stage. It has about 40 industrial establishments, more or less modernized. There are nine flour mills employing between 60 and 120 workers, two match factories having together 1500 workers, a large cotton factory with 3,000 workers and several hairnet establishments employing that many more. Other miscellaneous factories employ approximately 10,000.

The ricksha pullers number 10,000 and there are 5,000 wheelbarrow men. The streets in Chinese cities are so narrow that most of the travel is on foot or in these primitive contrivances. Freight is transported generally in the same fashion.

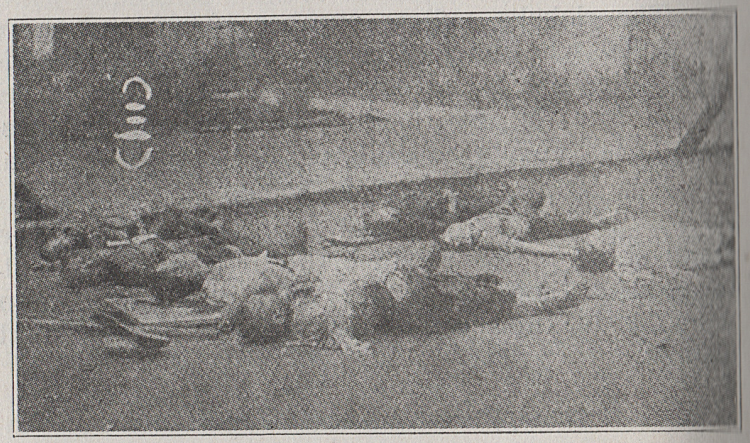
It is estimated there are 30,000 men and women in the retail shops and as many more in the small shops which produce the articles there sold. In addition there are some 70,000 girls and women working in their homes in smaller occupational groups.

Most Oppressive Labor Conditions.

The factory workday is usually from 11 to 12 from $2 a month for the unskilled child to $20 for a trained man.

The official report estimates the cost of living for a single worker at $7.50 a month and for a family of five at $15. Rentals run from 80 cents to $3 a month for a room. The low wages compel the

working class to live in the most crowded quarters under the worst imaginable conditions. Their food generally consists of dry unsweetened cakes of grain flour, salted vegetables, and a grain gruel usually of millet. It is supplemented with steamed bread, macaroni of wheat, and sometimes a little fruit in season.



Other Victims of the Shameen Massacre.

THE OPIUM TRADE.

A treatise on China, however limited, could hardly be complete without some mention of the traffic in opium, forced upon the Chinese people by the British in the war of 1839.

Ever since its importation became legalized the Chinese government authorities have sought to suppress it. Its ravages have been terrible. It is estimated that by 1907 there were 25,000,000 addicts. The drug had then become so plentiful that even the coolies could afford it. Mothers gave it to their babies to soothe them.

The efforts of the Peking authorities were for a long period of years nullified by the fact that under the right of extra-territoriality the Treaty Ports had become havens of refuge for Chinese smugglers of the drug. Thus in 1913 when the Provincial governors were going so far as to kill Chinese farmers who persisted in growing the poppy, Sanghai foreign language newspapers, referring to the opium traffic there, reported that "The merchants are looking forward to a big boom in trade, owing to the present satisfactory deliveries—thanks to the Consular authorities of Shanghai, under whose aegis the trade is flourishing at the present moment. Recently prices have gone up and a strong combination was formed to sell the remaining stock under one joint account."

Their Ounce of Blood.

An appeal for international aid in suppressing the traffic was issued in that same year by the Chinese. "The actual cost price," the statement reads, "of the stock (of opium) is about seven or eight million pounds sterling (approximately $35,-

000,000). If the world will help us we can raise enough to burn it all up and put an end to the cursed traffic. . . . There seems no other way (but that of paying) as the traders and banks demand their cost.

"Today (1913) in Shanghai there is some $80,000,000 to $90,000,000 (Mexican dollars equal to about one-half in U. S.) of this black drug. It is in a foreign concession where China's laws cannot touch it. It can be legally sold in spite of China's efforts, in large or small lots to any smuggler who wishes to take the chance of getting it into the country. One million dollars worth was recently sold in Shanghai in three weeks' time, and it is being imported into Foochow, Hankow, and other ports because of the Opium Treaty."

The 1907 Agreement.

In 1907 England had agreed to reduce the exportation of opium from India to China by 10 per cent annually, the traffic to be ended March 31, 1917, provided Chinese production was in a like measure curtailed. At a huge cost Chinese carried out its part of the program. Peasants who refused to discontinue poppy growing and merchants who insisted on dealing in the drug were bastinadoed or beheaded as an example to the rest. Tens of thousands of little farmers were ruined by the destruction without compensation of their crops. Millions were in agony thru the sudden deprivation of the drug. Suicides were innumerable.

The stricter the enforcement of the Chinese laws against the trade, the more profitable it became to smugglers and the greater the prosperity of the Treaty Ports which harbored them. At the end of 1916 a combine of wealthy opium dealers

induced the President of China to extend the agreement to December 31 of the following year, to permit them to dispose of their large unsold stock. The conference at which the promise was given had been secret. When the people heard about this extension the popular outcry was so great that the agreement was publicly ordered cancelled. In fact it was merely pigeonholed.

The next summer, 1918, another arrangement was made whereby the remaining stocks to the value of $20,000,000 were to be paid for by a bond issue subscribed by British capitalists and the Chinese government was to take over the rest in behalf of a syndicate composed of Peking officials and Cantonese opium merchants. The syndicate was then to retail the drug to the Chinese people. Owing to the prolonged and numerous civil wars which have rent China in the last decade and the varying policies of the powerful military governors of the different provinces the opium question has not yet been solved.

British "Whitewash" Drug Traffic.

The depths of hypocrisy and avarice to which a ruling class can sink in its thirst for profits is illustrated in the official report of the infamous Royal British Commission of 1895 on opium. It approved the traffic on the ground that "in the present circumstances the revenue derived from opium is indispensable for carrying on with efficiency the government of India." It refused to recommend the sale be stopped, pointing out that the "discontinuance of the export trade in Bengal opium from Calcutta to China and elsewhere would inflict a very heavy loss in public revenue on the government and the people of India."

British Still Supplying Opium.

A year ago, however, the Indian government experienced a change of heart. Sir W. J. Collins, British delegate to the last International Opium Congress (1925) declared that since 1924 "the conception that opium was harmful to the people of the Burman race" had been accepted. Burma is a British possession. Nevertheless he reported that the acreage of the poppies from which opium is derived had increased in both the Native States and British India Proper during the last three years. He estimated the world production at not less than 2,500 tons yearly, while the world's requirements for legitimate medical purposes has been variously estimated at from 5 to 125 tons yearly.

According to this authority, along with its hundreds of missionaries, England thru its Indian Government annually exports "some thousands of chests, of 140 pounds each, to Singapore, Hongkong, Batavia, Bangkok, as well as to Saigon, Macao, and Bushire." Thus the British are directly responsible for the doping with this most deadly drug of countless millions in the Far East. A writer in The New Republic (1917) estimates the profits on Bengal opium imported into China from 1773 to 1906 at over $2,000,000,000.

Revenue derived from the growth and sale of this poison furnish a substantial part of the Indian Government's income, amounting in 1924 to 28,870,398 rupees. In Brunei, 18 per cent of the governmental income was derived from this source; in the Federated Malay States, 17 per cent; in the Straits Settlements, 45 per cent, and in India, 3 per cent.

Refuse to End Traffic.

The Opium Conference called by the League of Nations, at Geneva, Switzerland, January, 1925, was an utter failure because Great Britain and Japan would not give up the enormous profits their merchants have been making in this traffic. Holland, France, and Portugal, having large interests also in the drug trade, helped to block any effective action. Great Britain and Japan have the principal responsibility because they control the markets and are the real traffickers of the opium raised in the possession of the other Powers.

More Asiatics die every year from the effects of this drug, it was declared by delegates, than there were soldiers slain in the World-War. It was estimated that nine mlilion men, women and children would be doomed to die in the next two years unless the traffic were suppressed. There are over 90,000 opium dens in the cities of the Far East, showing the great extent and profitableness of the business. There are over 200 vessels engaged in this trade which constitutes an enormous source of revenue for the Oriental steamship lines. Most of the ships are owned by English corporations. The suppression of the opium traffic would entail a loss of $3,000,000,000 annually to poppy growers, and the drug manufacturers, distributors, and merchants, figured on the basis of wholesale prices, according to statistics presented at the Conference.

Morphia Sales to Drug the Orient.

Of late years another most deadly drug, morphia, has added to China's troubles. The British and the Japanese chiefly handle this trade. Vast quantities of this poison have reached the country

thru the postal system which Japan compelled China to allow her to operate on the continent and thru the thousands of Japanese peddlers who travel thru China, protected by the rights of extra-territoriality and the superior military power of their country, and often difficult of detection by the Chinese authorities because of the similarity of physical appearance. The revelation that the Japanese government derived a direct revenue from the traffic has compelled that government officially to divorce itself from the business.

The medical dose is from 1/8 to 1/2 a grain. Yet the British exports of morphia have increased of late to an enormous amount, pointing to its substitution in many cases for the previously used opium.

"Everyone at all acquainted with the history of the English in Asia knows that the highest authorities in China have always strenuously opposed the opium traffic and that until forced they never sanctioned its admission into the country. The trade was contraband up to 1862, and the opium used to run the gauntlet of the Chinese customs boats up the Canton River in defiance of all national rights. Englishmen gloried in the iniquitous defiance of law and of course made colossal fortunes in the trade, perhaps about the most ill-gotten gold that Englishmen ever pocketed. We not only defied the laws by carrying on this traffic, but we corrupted Chinese officials and weakened the internal administration of the empire (China was then an empire—Editor) by heavy bribes which we either paid their officials or were content that they should exact."—Alexander Johnstone Wilson, in his "The Resources of Modern Countries," printed in London, 1878.

GENERAL FENG YU-HSIANG.

Most prominent of the leaders of the Kuominchun or nationalist armies, the military arm of the Kuo Min Tang. During the civil wars of 1925 and the winter of 1926 his troops controlled Peking, and the northwest part of China in general.

THE FUNCTION OF THE MISSIONARIES.

Sir Frederick Lugard, one of England's greatest Empire builders, wrote the following in 1905 in eulogizing the part played consciously or unconsciously by missionaries in preparing the way for capitalist development of the most backward sections of the earth. What was true of their work in Africa is equally applicable to similar efforts in China.

"There is one agency which has done more, perhaps, than any other for the development of British possessions. That is the pioneer work of the missionaries—of such men as Livingstone and Moffatt. I put aside the spiritual aspect of such work, and am now looking at its economic advantages to a State.

"Missionaries are usually active agents in teaching industrial work among the natives and in creating within them new habits and desires, all of which tend to the increase of commerce. In missionary enterprises of today the necessity of teaching the native some industry whereby he can obtain his living after conversion, is more and more recognized.

"I feel convinced that that Government is wise that will foster and encourage missionary effort for the sake, not only of spiritual advantages, but also of temporal. Mr. Rhodes (Cecil Rhodes, the great agent of British imperialism in South Africa—Editor) gave free access to missionaries of all denominations into Nashowaland when that country was first taken over by the Chartered Company and thereby I consider he showed his wisdom and statesmanship."

AMERICAN CLUB.

Shanghai, China.

Dear Hank:—Just before the battle, fellah, I'll write you a few lines from Shanghai—Li'l Ole Shanghai, where we spend the morning designing bridges, the noon fighting booze in the Astor House bar, and the afternoons and evenings shooting blood-thirsty Chinese. Yeah, even the wildest of us soon get tired of war, and even the most cold-blooded of us soon tire of seeing the streets gory and veritable shambles.

I told you some time ago that I had joined the Shanghai Royal Police, didn't I? Well, the afternoon of the outbreak here I was called out—and arrived in front of the Louza Barracks, to which I am assigned, just after the shooting—in fact, I was within a block of the gate fighting my way thru the mob and getting stoned doing it, when the volleys were fired. Eight blown apart, four dying within the very gate, and any number lying dying and wounded in the street.

Street Slippery with Blood.

The police were wholly justified in shooting into the mob, for many of the raving maniacs were already within the gate, and the main police arsenal and defense of Shanghai was in danger of falling. Blood was splashed eight feet high on the gate, and the street was really slippery with blood. The first ones killed were fairly blown to little bits by the Colt 45's we are armed with.

Imagine three white policemen, with a half dozen Sikhs and a dozen faithful Chinese police, fighting single handed against a mob of five or more thousand enraged Chinese and students, fighting until their uniforms were torn to shreds, their faces torn by long nails, bloody and battered, fighting for three solid hours, slowly giving way until with backs against the last defense they shot into the solid mass of bodies.

Can you imagine any of our police force in the States fighting against a crazy mob which they knew was out to murder and loot, fight for three hours and then only open fire when the very arsenal was invaded?

Soft Nosed Bullets.

I arrived on the scene, and with the newly arriving police and civilians and soldiers helped to issue arms and ammunitions to the defense forces —huge supplies of pistol ammunition to each man, heavy riot clubs, lead loaded, Enfield rifles with soft nose bullets that spread. Before nightfall every able bodied man in Shanghai was preparing to do his stuff—and within one hour after the slaughter at Louza Barracks, long before the foreign population had heard of the uprising, the streets were packed with foaming, frenzied Chinese.

And so, in order to maintain communication with the residential districts we had to clear the "Broadway of the Orient" of the mobs; and for three hours we poor cops who had been unlucky enough to be called upon first before the rest of Shanghai heard of the trouble, fought hand to hand with fully ten thousand crazy Chinese. There were about eighteen of us, armed with baseball bats and

truncheons of the Royal Irish Constabulary (heavy and unbreakable).

Imperialist Bone Breakers.

I had already broken two of the "old issue," and was damn glad to get a hold of the "new issue," held in reserve for just such as this. We broke scores of collar bones, fractured a dozen or more skulls, broke one Chinese back, and ruined faces, broke noses and arms and legs.

> Never in my life have I been so brutal, so utterly given over to the lust for blood as I was that day, unless it be on the many fights since then these past two weeks.

Hank, it may seem incredible to you, eighteen white men fighting a mob of ten thousand hand to hand, but I ask you only to come out here, to see the Chinese, to live here awhile and realize that with the foreigner here it is "get in the first blow make it final, or perish with wife and children." Extreme means are necessary in dealing with a Chinese mob—shoot first and talk later, or, else you go "Up the Bubbling Well." Only that morning we had been carrying on the works of peace—and this afternoon we were armed for a long campaign, had killed ten Chinese, crippled many for life, and had spilled blood all over Nanking Road—**to protect our interest,** the city we had built, the system and order we had produced, against the looting, crazy mob of Chinese. Well, when we were about to open fire again, and this time to perhaps kill hundreds, two of our armored cars arrived, each with 1 inch steel walls, turrets, and machine guns mounted like in tanks—and these cars drove full speed into the mob.

Christians at Work.

The injury was appalling, two crushed to death, their guts spurting all over the street, broken legs, ribs, and battered bodies caused by the mad rush for safety. And the street cleared, and the motor cars of the foreigner were able to pass, the large majority of the occupants rode up unaware of the trouble—and finally driving off madly to arm themselves, and once more gird their loins, forget their work, don their uniforms and venture forth to protect their homes. In a way it's like the development of the west, the Indian warfare.

All night long we patroled, in groups of four or five, now and then fired upon by hidden snipers, now and then the target for well-placed house bricks thrown by hidden devils. We dared not go into the Chinese quarters, for sudden death lay there—at least we had orders not to venture into the quarter. During the next few days I had repeatedly gone there, with a dozen or so Sikhs each time; and each time, when deep in the heart of the Chinese quarter, was attacked in force and had to shoot it out. Total darkness, only the flash of the enemy guns, only the shouts of the Chinese to fire at. Well, to get back to chronological order, dawn came, and found us nervous wrecks with worry and thinking. What was coming next? No man knew.

Preparatory Disarming.

And at the first streak of dawn the heathen devils emerged from their foul dens, and soon the streets were fairly reeking with Chinese, some armed with knives, some with clubs, some with scythes, but none with arms—because due to our raids carried on all the time, summer and winter,

no arms were to be had by the Chinese that we hadn't seized already. And, once again we had to fire into the mob. We first played fire hoses on them, but to no effect, which thus demonstrated the temper of the Chinese. For ordinarily, the only thing that is able to drive a Chinese off the street is rain—and, soaked to the skin, these devils bombarded us with house bricks. I was cut badly about the head, my uniform torn off my back by a scythe, just missing my skin—so I killed the devil and the dirty work began. I wasn't the first one to fire, for the firemen were knocked out by bricks and had to quit, and the first to open up the ball was the Lewis gun outfit.

> The slaughter was pretty, seven at the first session, with the usual street full of heathens crawling on all fours, bleeding and screaming, and the usual street full of gore.

The devils at the far end of the street had stopped a tram car, poured oil all over it, pulled out the white people, women and children, and stripped one English girl naked. And, some day, when I can speak to you, Hank, I'll give you the story of what was done to the Chinese present who were surrounded in one mob by us, while they were parading this poor woman down the street to the laughter of their comrades.

> Some day I'll tell you things, things that aren't written in history, nor published in papers, and are not talked about in police barracks. And, I put you on your honor not to let this stuff get out. Talk if you want to, mention not my name, but show this not to a soul. Honor.

I'll never to my dying day forget the burning tramcar, the screaming children, the moaning shamed woman, the raving, screeching Chinese—and the terrible retribution that overtook them suddenly and quietly. And I feel proud of the fact, in view of what sights I've seen, that I took part in it.

> Every so often these filthy devils need a regular wholesale slaughter brought home to them, a looting and raping, a torturing and murdering like the allied armies brought home to them at the relief of the legations in the Boxer.

Every generation needs to be taught its respect for the foreigners, needs to appreciate the fact that violence cannot be done the white man or woman without punishment and manifold. Without that teaching the foreigner must needs pack up and leave, or remain and see his wife violated in some anti-foreign uprising such as this.

Teaching Another Generation.

So, having in mind the awful slaughter of foreigners here in 1905, we descended suddenly and with violence, attempting to nip it in the bud. But these last two weeks we've been nipping, and to date, after 16 solid days of fighting and policing and shooting, the situation is as bad as ever.

For one week I went without sleep, without seeing a bed, without washing, and what little catnaps I got were never of more than an hour's duration in eight, and soon broken by some sudden alarm. And later, even our catnaps were broken by sniping into our barracks by snipers posted in high points, who fled when we stormed these points. The question on all tongues, heard and speculated

on all hands, was "When will the 'Awkins arrive. When will the Huron and the gobs arrive? When will the Loyal Irish regiment come from Hongkong? Will they arrive in time?"

Sailors Bring Fear of God.

And, let me tell you, Hank, the prettiest sight I've seen was the first landing party of British sailors, in full war kit, marching thru the massive iron gate of our Louza Fort, to take over some of our work and put the fear of God into the heathens that we hadn't sent west. Yet, they arrived even too late, and let me tell you about the worse fight of the uprising:

I'll skip over the shooting I had gotten into in the Chinese quarter while posting martial law proclamations. I had a squad of these fine, husky Sikhs, of the British army, with me, and was posting proclamations of martial law in the heart of the worst district in Shanghai. We got into a tight mess, had over five thousand crazy rioters surrounding us, and throwing stones at us.

Bayonet Work of Sikhs.

The Sikhs took at the mob with bayonets, I commanded them not to fire, but to stick the ringleaders. We beat five up badly, one with a fractured skull. And, to avoid shooting and therefore more diplomatic complications, we broke into a tea house and barricaded ourselves. The mob broke into the rear, and we had to shoot to defend ourselves. But we killed none, wounding only a few—never stayed to count them.

Then, far in the distance we heard firing, many rifles and machine guns in action. And, in order

to be where we were needed, we beat a retreat, heading to the scene of action. And as we went up the wide paved street, into which we debauched we were greeted by a storm of bullets, hundreds of them, whizzing all about us. We stuck close to the house walls, and went on the double. At the most well-known corner of the Far East, at an intersection where the finest silversmith shops, and finest diamond merchants' shops are; and where the largest amusement house in the Orient is located, a fierce gun battle was going on.

> Up the street was charging a company of Scottish, and two troops of American cavalry; and three armored cars were slowly driving up the street, bullets splashing all over their thick armour, their Lewis guns playing on the mobs and raising havoc.

From the windows of the amusement house, the New World, came a heavy rifle fire, while from the windows of one of my buildings under construction came the fire of several automatic rifles. My Sikhs disappeared, going into a small house from whcih several Chinese were shooting—and the shooting soon stopped.

A Crack Shot.

I went into another house where Chinese were sniping, and we soon killed the snipers at their posts, and took over their positions—myself, another cop and a man who later turned out to be one of the best shots in Shanghai. Two hard looking coolies emerged from the back entrance of one of the storm centers and started to make their getaway, but this crack shot put a bullet in the eye

of one of them, and shot the other thru the head—all in a twinkling.

For two hours we fired on the storm centers, and at dusk we mopped up. I, because I knew the Ningpo Guild from basement to roof, was first into the structure—which I had designed. It was my luck to go up the back stairs, with a hard crowd of landed gobs from one of the permanent patrol in Shanghai at my heels. So, when we got to the roof, the fun was over; for the other party, storming the first floor and then going up the front way, had caught plenty redhanded, and blown them to smithereens while yet they worked their guns.

> And, of import and with a meaning only to be grasped out here where it means something close, many of the snipers were Reds, Soviet agents. Russians, Reds who had supplied these Chinese with arms and the egging on to loot, to rise. But, along with what few Chinese we caught, they were sent west.

And, as darkness fell, the streets cleared where troops were sent, and an ominous feeling pervaded us all—we awaited only dawn, prayed for rain to drive these heathens in doors. But no rain came, and instead only renewed local sniping, sudden outburst in unexpected quarters on unprotected women and men, sudden attacks on armed isolated patrols.

The General Strike.

A general strike had been called at the very outset, and servants and clerks, laborers, and seamen, wheelbarrow men and coolies, all walked out. But, even tho the servants at all the hotels walked out at the first sign of trouble, the boys at the

American club stayed, stayed all thru the fighting and the trouble, faithful to the end.

> Jack and I lined up our boys when the general strike was called, and told them that if they dared to go outside except for food or on orders, they would be followed and beaten to insensibility.

And, only because they had worked for Korff for five years, and had been into every part of China with him, they stayed—nor did they once go outdoors.

At first, the feeling of impending death gave me a queer sensation in the stomach; and you can fully realize it, for it's not that feeling when a man is hot, is in a battle like on the front, but it is that feeling out here of being shot from behind, being killed while walking down the street late at night, shot from some rabbit-warren by some coolie who is worth, life value, little more than a dollar Mex. But one soon grows used to even the greatest of dangers, and I now go places alone, or with another man, where I know that sudden death might any moment light on me. And I've broken into the foulest dens, filled with foaming agitators and anti-foreign organizers, with drawn gun, and without firing a shot, any of our raiders, taken into custody the whole mob—but not without a cruel bloody beating of each.

A Soft Side.

I've seen China in its worst, and I've seen places during this trouble, that never before has white face been seen. I've lived, really lived; but I don't want to die yet. Dolly, the misses, is in the hospital being operated on for appendicitus, very

low; and I'm crazy with the worry of it. Boy, boy, I wish you could see the little girl. Sweet as an old etching, and as good-natured a little black-eyed devil as a man could wish for. And, Hank, I'm the first beau, and the last, that she ever had—first one to kiss her.

A four day romance and she returned to Hongkong with the Tiffany stamp on her finger; then she got lonesome, for she's alone in the world and had been all her life in the convent at Hongkong. So, a cable to me, I sent an answer—and here she is, the queen of the Smith roost, Mrs. Smith, if you please. Yeah, we all splice up sooner or later. She worked night and day during this trouble, and broke down the other day. Tonight—aw hell!

I got to change the subject, or stop where I am.

No Man Knows.

Some day, Hank, I'll tell you all about this trouble—and it may be that I may have lots more to tell you about it. For it's not over yet. The crisis hasn't come yet, the country is rising, and not a man here knows or pretends to know what the future may bring.

> My outfit has been in touch with the men who are all-powerful here; even as my outfit is all-powerful in finances here. Only the other night I met the man who is considered advisor to the most powerful man today in China, Baker, American, advisor to Marshal Chan Tso-lin—and history is based on what his decision is, and I, poor I, had the honor of sitting in the American Club bar and airing my version

of the situation with him. Shanghai is surrounded by Chinese troops, and whether they are friendly or hostile no man really can say.

I wish some of the Chicago police could come out here in peace time; believe me they'd see service that they never would see in a lifetime back home. They'd get in on nearly nightly raids in quarters where to breathe deeply means probable suffocation, and in rabbit-warrens where human beings living in the most disgusting and foul circumstances, manage to eke out a bare existence, just one short jump from starvation.

The Imperialist Moralizes.

They'd see dens and dives, where the foulest of practices are daily rites, where small boys are used for immoral purposes, and where pretty little Sing-song girls are sold into slavery, where babies are sold by their mothers, for a few coppers cash. They'd see China, the China that the tourist and the longtime resident never sees, the China seen by the police only.

> This country is fairly seething, and whether the fires of wrath and unrest are finally quenched or die out, or whether they are unwittingly allowed by the wrangling foreign governments (our own being the most responsible, yet the most vacillating out here) to grow, and feed upon the millions here and upon the foreigners until another bloody Boxer arises—upon this present day state of affairs, upon the attitude of the powers in enforcing order even at the point of the bayonet and at the

> mouth of the machine gun, depends really the future of the world.

For, let but China arise, let her once become Bolshevik, and straightway the course of history will change, and soon the greatest war since the beginning of time will be fought out here. I speak of Asia, and not of the Chinese as fighters. I fully believe that the next war will be fought out here, out here in this maelstrom of racial hatred, this fiery region where Jap, and Chino, Russki and Mongolian, all hate each other—and are united against the "foreigner."

Slaughter House Diplomacy.

The worst kind of a policy toward China would be for a conciliatory policy, in view of the lessons we should have learned from the Boxer. It took only three days for the Boxer to descend upon the legations in Peking, four days from the first sign of unrest and the legations were fighting for dear life, and they fought for three months until the allies rescued them.

> The looting of Peking, the raping of Chinese women, the bloody slaughter of men, women and children when the armies were turned loose after the relief, has kept China quiet these years—and now the younger generation, not remembering the Boxer reprisals, is rising again, in fact, has arisen.

Up country the foreigners are fleeing for their lives. Even as I write my friend of the China press tells me that at Kuling 600 missionaries are marooned, helpless, and surrounded by hostile Chinese looters—and the Japanese and American destroyers

are speeding madly there in the hope of arriving there before it's too late. A toss of the coin—a shake of the dice box—and either peace or bloody war. On one hand we see another Boxer, with wholesale slaughter seldom seen except here in China, with reprisals in the ratio of a thousand to one; or a pacification, a reorganization.

> The government, the sham government, the government in name only, is acceding to the vile, crazy, lunatic demands of the university students—these foul little wretches, educated by foreigners, and now biting the hands that have fed them—and these little devils, half-educated, half fanatic, demand that the foreigners leave China.

Hank, as an A1, member of the Shanghai University Club, to which belongs many returned students of our American Club schools, and as an employer of students returned and educated here, I feel qualified to speak on the traits, the characteristics of the breed. I utterly and unqualifiedly despise the so-called "returned student," the Chinese educated in America. You probably have several in your class. You probably are chummy with them, or at least are friendly with them.

"Democratic Discipline."

You know me, Hank, I'm one democratic cuss—and you know in what a mood I came here, how I thot I'd like the Chinese. The best education for the Chinese is this: discipline, teach him to respect his instructors, obey them as we obey our professors at home. Discipline in Chinese schools is en-

tirely unknown, and the students nearly run the schools.

Then, allow none of them to go abroad to be educated, for in America or England they learn "all of the white man's vices and shortcomings, and none of his virtues." Such as told me by Old Mister Wong, the wise man of North China, head of the Kailan Mining administration, who sent his son to Yale, spent a quarter of a million on him there, and then watched him degenerate to a common coolie upon his return here.

Really Benefit—By Turning Traitor?

Such things are common here, and the Chinese is exceptional, who, upon his return here can keep his head above water and really benefit by his learning. They land here with a handful of dogmas, and a hearty sense of their superority over their brothers; they scorn to work, and are cocksure in all the damnable senses of the word. They soon lose their moral fibre, their sense of proportion, and finally end up within a step of where they left off when they went abroad.

The oriental mind is queer—I don't care what your medical men say, I have observed the intricate ramification and modes of oriental reasoning, and I marvel at some of the processes turned out. The Chinese mind is subjective; the occidental is objective.

Degenerate Missionaries.

And I doubt if there has ever lived a man who really understood the Chinese; for such is the influence of this country, that when a man lives among them for years, cut off from his kind, he ceases to

be white, as it were, and soon degenerates to a being lower than ever a white man elsewhere could become.

And, altho he might savvy the Chinese viewpoint, speak their tongue—he is thereupon unfit for use as an analyst. Many of our missionaries go native, wear cues, and are little more or less than White Chinese. In the interior such are found, having lost their occidental ways and really become Chinese, living in foul, indescribable dens, and still drawing funds from the Altogether-Missed Old Maids and Widows.

Holy Parasites.

I firmly believe that the missionaries should beat it out of China, they do no good, and are parasites in the full sense of the word. The Y. M. C. A. is doing good work here—but they also are more needed in the States, in a white man's country, more than they are here. Hank, use your imagination; imagine a foul district in Shanghai, narrow streets in the native quarter, crooked on purpose to stop devils, a network of alleys and runways; and then imagine yourself being on a raid there, busting into a house in quest of opium.

You burst in the front door and rush in, you kick in the obstructing doors and kick the opium sodden occupants out of their filthy beds. Deep in the interior of the den you bring up in front of a door, upon which in big character is written the word, "Wai Kuo Kren," "White Man."

"Gone Native."

You blow your whistle, and when help comes you bust in the door, and there, streched on his

filthy bed you discern thru the darkness what once had been a white man. Sodden and crazed with opium, "gone native" and having lost all his foreign ways, this wreck lies—gibbering in Chinese, not even able to speak his mother tongue. Such, such, is what China does to him who weakens and goes Chinese. Happily few, few, fall so low; the code out here is to jail them and ship them away before the chance arises, before they are able to make such gloomy, drooling spectacles of themselves.

Opium? Plenty of it here, in fact seldom do I patrol the more dangerous quarters these days without smelling incessantly that queer, heavy smell, of burning opium. But the supply is comparatively scarce in Shanghai, on account of police vigilence. But large, as compared to other cities at home. Since this trouble we have swooped down on many a large store of opium.

A Hundred Per Center.

God grant that we keep the oriental out of our fair home country, that we keep this foul wretch here, here where he is best fitted to remain. For once we let the teeming millions of Asia gain a foothold on the American continent, all is lost. They multiply like rabbits, even more so, and live always in the foulest and most revolting of ways. Their ways are not ours, and the East and West will never, never, never meet—in spite of Japanese propaganda.

> The Japanese is never more hated by Americans in America than he is hated out here by British. The hatred is cordial and hot, and upon that one ground we meet, as we do out here on many others.

Hank, we Americans out here effect to dislike the Lime; we do. But, at the same time we like him in spite of the difficulty of meeting him and fraternizing. Since this trouble we have met, as it were, upon a common field, with common aims and troubles; and I sincerely apologize for whatever I have said against the breed. The ways of the Briton are not our ways. He is hard to approach, and when once made your friend, much comes out that is never dreamt of.

The Great Dispersion—Of Snobs.

I've been cut like hell out here, and felt a perfect grievance because of it. But, once I was really acquainted with the better natured and finer ones, I soon found out what a sporting race they were. Their lives are bitter, bitter with longing for the home country. They are members of the great dispersion, forever doomed to spend their lives away from their home country.

And, their ways and habits and thoughts being not our ways and thoughts, we naturally misunderstand them; and they misunderstand us. The police are nearly all Lime; and I had a fairly difficult time of it at first until the crust was broken.

An Initiate Snob.

But I acted natural, swore in American, kidded them, took a lot of good-natured trash about wild west Indians, and two gun cowboys roaming Broadway, etc., and now I number many a difficult Lime among my best friends out here. And this uprising, in which men of many nations fought side by side without thought and without caring about racial traits, land and birthplace, has served to create a better feeling out here among us foreigners.

American destroyers have landed to rescue British residents up country; and British gunboats have repeatedly rescued American residents since this outbreak. The American gobs, I may add, are the pride of Shanghai; they took the place by storm, with their hardboiled ways.

> Shanghai has seem them many times before; but never in such a way that the banker would unbend to speak to them. Now the Taipan, the banker, is in uniform, and on duty must needs speak to the gob; and the gob, pulls his wise cracks, spits succently and says, maybe, "Fellah, when I spit it bounces, get muh?" And the banker, now turned soldier, laughs and says, "Jolly well said, old deah, jolly well turned, y'know?" "Yeah, lad," returns the gob, "You said it fellah. What duh these Chinks think they are, tough or sumpin?"

Boy, the Italian sailors, the wops, and the gobs have always been the best of friends, going on booze parties together; and even the gobs and the British bluejacks get along fine here—altho in Hongkong, the official fighting place for the two breeds, they bust loose and tear the town wide open when they meet.

Usually Not a Proper Animal.

As is usual in peacetime, the sailor is not considered a proper animal to mix with; but now many a staid old resident has come, seen, and been conquered. The gobs covered themselves with glory no sooner had they landed. I'll tell you about it.

We raided a certain Dung Dah Medical College

and kicked all the fairly lousy and filthy imitation students out into the streets. Hank, you'd quit medicine if you saw this place where Chinese are supposed to study medicine. And the next day our patrol was relieved by a company of gobs who were to billet there in order to utilize the place as a strategic point—it overlooked one of the most dangerous points along the border, the Markham road bridge.

Civilization's Messengers.

No sooner had the gobs arrived than they set to work, broke out big holes in the two-foot walls, and set up scores of machine guns and a radio installation. They sent four men up the approach of the bridge, and these men, not knowing just where the border was, walked out on the bridge and thru a line of about thirty Chinese infantry with fixed bayonets.

These Chinese soldiers tried to stop the wandering gobs, and one of the Chinese was promptly knocked down by the truculent gob in the lead. The pals of the Chinese thereupon brought their rifles to the ready, and the gobs, with rifles still slung, set to work with their fists and broke one jaw and several faces.

Extending the Border.

The rest of the gobs thereupon came running up about twenty strong, and in about three seconds the Chinese border moved fully two hundred yards from the settlement—and there it stays today, for the gobs refuse to let a Chinese soldier within a hundred yards of the north ap-

proach, whereupon the south approach is really the Chinese foreign border.

The WiaoChiauPu has lodged a protest with the diplomatic body, saying that the foreigner has used armed force in infringing upon Chinese soil. Hell, and the commandant of the Chinese force also lodged a violent protest with the naval officer, saying that the gobs made his soldiers run away. No fooling, I was there at the time the protest came in. In fact I went on a likker party with the naval officer in command, he, I and a North China Daily News correspondent went into Chinese territory where the Chinese soldiers had orders to shoot uniformed and armed foreigners on sight.

Officers on a "Likker Party."

I wore civies, but carried my 45 Colt automatic. Before the party got far we all were wild and wooley, and we kicked down the doors of a row of places in which lived a bunch of Soviet agents; I had the only gun in the party, so I used it in shooting thru the ceiling. The Chinese soldiers and police soon appeared, but accidently I shot one round thru a window, and they soon disappeared.

And, left in possession of the neighborhood and its contents, we raised hell until broad daylight. The Soviet agents surely caught hell—and one big Russian beast, whom we caught in bed with a handsome Russian woman, was given three minutes to get out into the street. Boy, we were drunk, and all the stored up devilment of the past two weeks was breaking out; and this boy spent two of the three minutes in walla-walla, and the last minute

flying down the nearly vertical stairs, with several 45 cal. bullets after him.

He was later picked up in Shanghai and found to be a general in the Soviet Red army, down here to stir up anti-foreign feeling. And so, dawn came, we returned to the settlement, with no prisoners, three hangovers, shattered nerves, and a captured Mauser pistol taken off the Russian, also a Soviet flag, the same which now decorates the Louza canteen.

All China is Aroused!

Canton is aflame with war; Hongkong is in the throes of unrest; Tsingtau is having one hell of a time; Peking is in rebellion and the petty, sham government there is about to fall; Tsinin is in grave danger, and foreigners there are imperiled. All China is aroused! And overnight, as usual.

Our Hankow office turned out in force there, and as members of the volunteer units which are always maintained and equipped by the British and American forces out here, used their Lewis gun in the fight there of the other day, in which ten were killed and an unknown number wounded and dying later. Our Tsinan office is barricaded with the rest of the foreigners there with the British consular compound, armed and equipped and supplied with three months food—awaiting the inevitable fight.

Going Bolshevik?

Our Canton office was evacuated the last week and the entire female population of the foreign colony there has fled to Hongkong for safety, the men sticking to fight it out if necessary. An American small gunboat there was shelled the other night, but soon silenced the fire of the enemy. South

China is in grave danger of going Bolshevik, altho men of experience here have said for years that China would never go Bolshevik. She may not accept the dogmas of the Soviet, but she may easily accept their anti-foreign prattle, and that only as means to an end. The Chinese always were, and perhaps always will be, anti-foreign, hating change, inert.

Tientsin alone of all our offices here in China, remains active, not participating in any of the trouble—simply because Tientsin is the headquarters of large bodies of American, Japanese, British, and French and Italian troops, kept there as a result of the Boxer lesson.

All Oriental.

Since the revolution of 1911 China has known no stable strong government, always in the throes of some inter-provincial war, always in the grip of grasping officials—and the Chinese have never been a patriotic people, nor will they be. Conditions are against patriotism such as we know it; one hundred or more distinct tongues, a million prejudices of one provincial people against the other.

Yet, they are all oriental, have the inertia and oriental mind and viewpoint, and consequently may act in unison against the hated foreign devil—even as they did in 1900.

The Incomprehensible Native.

Their demands on the Shanghai consular body are funny, preposterous, the products of cruelly distorted minds, the product of weak, incapable intellects. Last winter tens of thousands of Chinese refugees sought shelter within the international

settlement from the shells and bayonets of their own soldiers; now these self-same refugees are demanding that the foreigner who was willing to lay down his life last winter to protect him should give up his settlements, let it be run by Chinese and that he should thereupon become subject to Chinese law—which is the worst mess Christ ever allowed.

> I, for one, and every other foreigner here, lose my temper every time I think of the utterly absurd demands made by the government, by the students, by the populace. They remind me of a bunch of boys, of children. And with such thoughts in my mind, I set to work upon the slightest provocation, to bust Chinese skulls.

Out here, where the foreign population is infinitesimal in comparison one must act quickly and with force or perish. Swoop down, spare no one or perish by the most excruciating of torture. I've seen the Chinese Hundred Cuts, I've seen prisoners slowly cut to pieces—and I, for one, intend to kill my share if it comes to a showdown. I sincerely hope it doesn't. Shanghai is perfectly safe, at least we can defend it until relief arrives.

> Japan is only a day's sail from here, and help may easily originate there with the Japs who are only too glad to come here. Then, try to get them out, try, try.

Driven to Bloodshed by Passivity!

When next I write, old pal, much may have happened, much may have come to pass; perhaps history may be written in the next few days. Yet, on the other hand, this may drag along for weeks, for

months, the passive resistance of the Chinese at which they are adepts; and which resistance soon drives the foreigner mad and into bloodshed, as has happened out here many a time. Write me soon, damn it. I haven't gotten a letter from you for ages, and I'm wondering what I could have done to you to cause your silence.

Please forget not that I am

Your best friend and Tsai Chien,

LARRY.

Author's Note:

The letter reprinted above came from an American in Shanghai. It was written during the time of the General Strike there and is reprinted because of the light which it throws upon the foreign exploiter's attitude towards the native Chinese in their own country.

"The vast development of our industries imperatively demands that we shall not only retain and confirm our hold on our present markets, but seek constantly, by all honorable means, to extend our commercial interests in every practical direction."—Former Secretary of State, John Hay, at dinner of the New York Chamber of Commerce, 1901.

"We have got to have foreign trade—it is a necessity. Half the wheat raised in this country is sold abroad, about half the copper, a very considerable portion of the coal, two-fifths of the cotton, and twenty to twenty-five per cent of our manufactured products."—Wm. C. Redfield, former Secretary of Commerce. (Quoted by James H. Collins, in article in Hearsts International, 1924).

"In order to preserve for ourselves conditions of a well-balanced prosperity, foreign markets absorbing our surplus production are an imperative necessity."—Advisory Council, United States Federal Reserve Board, (in justifying loan to Bank of England, 1925).

"With our exports showing a decreasing percentage of raw materials and an increasing percentage of manufactured commodities, and our import figures revealing the opposite tendency, the significance of Asia as a source of raw materials and a market for our manufactured articles needs no emphasis. . . . There can be no question as to what it means to the United States of America."—Howard T. Lewis, Dean of College of Business Administration, University of Washington (in American Bankers Ass'n Journal, August, 1925).

WU PEI FU, SUN YAT SEN AND CHANG TSO LIN.

Wu Pei Fu and Chang Tso Lin are both military dictators. Wu Pei Fu is the agent of Anglo-American imperialism in China and Chang Tso Lin is the representative particularly of the Japanese. Sun Yat Sen, until his death in 1925, was the acknowledged leader of the anti-imperialist movement in China and is recognized as the greatest statesman the country has yet produced.